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Northeast-Midwest Report

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Federal Spending in the Northeast and Midwest: Fiscal 1990

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Federal Per Capita Spending in the Northeast and Midwest

The Northeast-Midwest region received less in federal expenditures on a per-capita basis in fiscal 1990 than did the rest of the United States. However, the region was closer to the national per-capita mark in fiscal 1990 than in fiscal 1981, according to the most recent report of the U.S. Bureau of the Census on federal expenditures by state.[1] The Northeast and Midwest, which received $393.3 billion in fiscal 1990 federal expenditures, would have captured an additional $11.6 billion had the region's per-capita total equaled the 50-state U.S. per-capita amount.

Federal expenditures in the Northeast-Midwest region totaled $3,731 per person, or 97 percent of the U.S. per-capita level, in fiscal 1990 (see Table 1). By contrast, the region received 94 percent of the U.S. per-capita amount for federal spending in fiscal 1981, the first year for which the data series are available.

The data show that per-capita federal spending by category in the Northeast and Midwest increased as a percentage of the comparable U.S. per-capita amounts for salaries and wages, direct payments to individuals, and grants to state and local governments from fiscal 1981 to fiscal 1990 (see Tables 4 and 5). It fell slightly for procurement and the miscellaneous spending category of "other programs." (For descriptions of the major federal spending categories, see the section on "Census Tabulations of Federal Spending by State.")

Per-capita total federal spending for ten of the eighteen northeastern and midwestern states rose as a share of the U.S. total from fiscal 1981 to fiscal 1990, while it stayed even for another four states in the region. Nevertheless, just six of the states in the region enjoyed per-capita spending levels greater than the national mark for all federal spending in fiscal 1990 (see Table 1).

Within the Northeast-Midwest region, total per-capita federal spending in the New England and mid-Atlantic areas exceeded the national pace for fiscal 1990, while the Midwest received less, largely because of Department of Defense spending patterns. The per-capita total for all fiscal 1990 spending in the Midwest equaled just 85 percent of the comparable U.S. amount, but the Midwest's total jumps to 96 percent for expenditures excluding the Department of Defense (see Table 8).

Return on Federal Tax Dollar

Despite improvements in per-capita receipts from the federal government, the Northeast-Midwest region received a poor return on its federal tax dollar in fiscal 1990, capturing just $0.83 in federal expenditures for every dollar sent to Washington, according to the Census Bureau data and recent information from the Washington-based, nonprofit Tax Foundation.[2] The region received the same return on tax dollar in fiscal 1981 (see Table 6).

Northeastern and midwestern states would have received an additional $58.6 billion if federal expenditures had been distributed in proportion to the federal tax burden the region bore

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[1]U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1990* (Washington, D.C, March 1990).

[2]The Tax Foundation, *Special Report: Federal Tax Burden by State 1991* (Washington, D.C., March 1991).

in fiscal 1990 (see Table 7). The Northeast and Midwest accounted for about 47 percent of the federal taxes paid from the 50 states in fiscal 1990 but received approximately 41 percent of the federal expenditures.

Returns on federal tax dollar depend not only on federal expenditures but also on the federal taxes paid from states and regions. The Northeast-Midwest region receives a poor return on tax dollar in part because it accounts for a disproportionate share of the nation's personal income, and therefore federal taxes paid. In fact, the ten New England and mid-Atlantic states for which income growth outpaced the national rate in the 1980s experienced a decline in their return on federal tax dollar from fiscal 1981 to fiscal 1990. The return on tax dollar increased for the one mid-Atlantic and seven midwestern states where income growth lagged the nation. In calendar year 1990, the Northeast-Midwest region accounted for 46 percent of U.S. personal income and 42 percent of the population.

The Northeast-Midwest region's higher-than-average income per person relates in part to higher living costs in New England and the mid-Atlantic states. States with above-average costs and incomes generally send more tax dollars per person to Washington. The federal government makes no adjustment for state and regional cost differences in paying out salaries and wages, grants, and payments to individuals. Consequently, high-cost, high-income states usually achieve a poor return on federal tax dollar. In most midwestern states, however, the return on federal tax dollar lagged even though their 1990 per-capita personal income was below the national mark.

The poor return on federal tax dollar hurts the Northeast and Midwest, continuing a long-standing pattern of income redistribution from northeastern and midwestern states to southern and western states. In fiscal 1990, the South and West captured federal expenditures in excess of the taxes paid, earning returns of $1.11 and $1.02, respectively, on their federal tax dollars (see Table 6). This drain of funds from the Northeast and Midwest occurs despite increased regional needs for infrastructure repair and maintenance, urban development, environmental initiatives, and other governmental activities.

Trends in Defense Department Spending

Expected cutbacks in military spending over the next several years could help alleviate regional disparities in overall per-capita federal expenditures because Department of Defense spending favors the South and West. If dollars from the Defense Department are excluded from fiscal 1990 data on federal expenditures by state, per-capita spending in the Northeast-Midwest exceeds the national level, while per-capita spending in the South and West falls below it (see Table 8).

Within the Northeast-Midwest region, the midwestern and mid-Atlantic states received strikingly small shares of fiscal 1990 Defense Department spending, with the per-capita amount at just 45 percent of the U.S. per-capita level for the Midwest and at 74 percent for the mid-Atlantic states. New England captured a disproportionately large share of Defense Department expenditures, surpassing the national per-capita mark by 56 percent. Levels of Defense Department spending, measured as a percentage of the U.S. per-capita level, have remained almost constant for the Northeast-Midwest's subregions from fiscal 1981 to fiscal 1990.

Regional Breakdowns for Federal Expenditures by State

The sections that follow examine federal expenditure patterns in the Northeast and Midwest, drawing upon data from the Census Bureau reports for fiscal 1990 and fiscal 1981. This analysis uses data for the 50 states only and excludes the District of Columbia to avoid any distortion that would result from including the nation's capital in the calculations for the South.

Much of the analysis presented in the preceding paragraphs and the following text and tables uses state and regional per-capita amounts as a percentage of U.S. per-capita levels. Comparisons between state per-capita spending totals and the U.S. per-capita amounts indicate how each state stands in relation to national expenditure levels while controlling for inflation, population changes, and shifts in federal priorities over time. For per-capita calculations, the amount a state or region receives in federal expenditures is divided by its population, and similarly the total for all federal expenditures is divided by the U.S. population. If a state's per-capita total exceeds 100 percent of the national per-capita amount, the state received more in federal spending per person than the nation as a whole. States below the 100 percent level received less.

The return on federal tax dollar for each Northeast-Midwest subregion is listed in order to provide some sense of how an area's federal receipts stack up against its tax effort. A return of less than one dollar means that a state or region is experiencing an outflow of tax dollars greater than its inflow of federal expenditures, while a return of more than one dollar indicates an net inflow. The return on tax dollar is a imprecise measure of federal spending patterns and shifts, however, because it is influenced by both taxes paid and expenditures received.

New England

Taken together, the six New England states received $4,474 per capita in fiscal 1990 federal spending, or 116 percent of the U.S. per-capita total, down slightly from 118 percent in 1981 (see Table 1). New England, which received $59.1 billion in fiscal 1990 federal expenditures, would have captured $8.4 billion less had the area's per-capita total equaled the national per-capita amount.

Per-capita levels in New England exceeded the national per-person amounts for procurement, grants to state and local governments, "other programs," and direct payments to individuals in fiscal 1990 (see Table 4). New England's per-capita amount for procurement stood at 177 percent of the national mark that year. In terms of total federal spending on a per-person basis, Massachusetts led the New England states, surpassing the national per-capita total by 29 percent.

The per-capita total for federal wages and salaries in New England equaled 82 percent of the comparable national measure in fiscal 1990, up from 73 percent in fiscal 1981 (see Tables 4 and 5). For New Hampshire, however, the per-capita amount for salaries and wages in fiscal 1990 exceeded the national per-capita amount by 14 percent.

If Defense Department spending is excluded from consideration, the per-capita expenditure amounts as a percentage of the national level drop for all New England states except Vermont (see Tables 4 and 8). Vermont moves up in rank for per-capita spending from forty-sixth for all federal spending to thirty-eighth for non-Defense Department spending, while Connecticut drops from ninth to twenty-ninth (see Table 8).

The New England states together earned a return on federal tax dollar of $0.88 in fiscal 1990, down from $1.07 in fiscal 1981 (see Table 6). The drop resulted in part from rapid growth in New England's personal income and the impact of that growth on taxes paid.

Connecticut received $4,484 per capita in fiscal 1990 federal spending, or 117 percent of the U.S. per-capita total, down from 137 percent in fiscal 1981. On a per-capita basis, fiscal 1990 federal expenditures in Connecticut stood at 206 percent of the national level for procurement, 129 percent for "other programs," 116 percent for grants to state and local governments, 99 percent for direct payments to individuals, and 71 percent for salaries and wages.

Maine received $4,011 per capita in fiscal 1990 federal spending, or 104 percent of the U.S. per-capita total, up from 100 percent in fiscal 1981. On a per-capita basis, fiscal 1990 federal expenditures in Maine stood at 119 percent of the national level for grants to state and local governments, 117 percent for procurement, 106 percent for direct payments to individuals, 84 percent for salaries and wages, and 55 percent for "other programs."

Massachusetts received $4,949 per capita in fiscal 1990 federal spending, or 129 percent of the U.S. per-capita total, up from 118 percent in fiscal 1981. On a per-capita basis, fiscal 1990 federal expenditures in Massachusetts stood at 223 percent of the national level for procurement, 145 percent for "other programs," 123 percent for grants to state and local governments, 111 percent for direct payments to individuals, and 81 percent for salaries and wages.

New Hampshire received $3,208 per capita in fiscal 1990 federal spending, or 84 percent of the U.S. per-capita total, down from 98 percent in fiscal 1981. On a per-capita basis, fiscal 1990 federal expenditures in New Hampshire stood at 114 percent of the national per-capita level for salaries and wages, 88 percent for direct payments to individuals, 74 percent for grants to state and local governments, 59 percent for procurement, and 54 percent for "other programs."

Rhode Island received $4,303 per capita in fiscal 1990 federal spending, or 112 percent of the U.S. per-capita total, the same percentage it received in fiscal 1981. On a per-capita basis, fiscal 1990 federal expenditures in Rhode Island stood at 148 percent of the national level for grants to state and local governments, 115 percent for direct payments to individuals, 102 percent for salaries and wages, 91 percent for procurement, and 69 percent for "other programs."

Vermont received $3,149 per capita in fiscal 1990 federal spending, or 82 percent of the U.S. per-capita total, down from 90 percent in fiscal 1981. On a per-capita basis, fiscal 1990 federal expenditures in Vermont stood at 129 percent of the national level for grants to state and local governments, 92 percent for direct payments to individuals, 68 percent for salaries and wages, 68 percent for "other programs," and 29 percent for procurement.

The Mid-Atlantic

Total per-capita federal spending for the five mid-Atlantic states in fiscal 1990 reached $4,030, or 105 percent of the U.S. per-capita total, up from 102 percent in fiscal 1981 (see Table 1). The mid-Atlantic states as a whole, which received $173.5 billion in fiscal 1990 federal expenditures, would have captured $8.1 billion less had the area's per-capita total equaled the national per-capita amount.

Per-capita levels in the mid-Atlantic states as a whole exceeded the national per-person mark by 28 percent for grants to state and local governments and by 10 percent for direct payments to individuals in fiscal 1990 (see Table 4). The area's advantage in grants to state and local governments is somewhat misleading, however, because among the five mid-Atlantic states only New York exceeded the national per-capita level for this category.

Per-capita amounts for the mid-Atlantic states together were short of the fiscal 1990 national marks by 2 percent for "other programs," 9 percent for salaries and wages, and 15 percent for procurement (see Table 4). Per-capita salaries and wages for the area as a percentage of the national per-capita amount rose from 84 percent in fiscal 1981 to 91 percent in fiscal 1990.

If Defense Department spending is excluded from consideration, per-capita federal spending levels as a percentage of the national amount rise for all mid-Atlantic states except Maryland, for which the level drops from 148 percent to 138 percent (see Tables 4 and 8).

The mid-Atlantic states together earned a return on federal tax dollar of $0.83 in fiscal 1990, down from $0.90 in fiscal 1981 (see Table 8). The drop resulted primarily from faster than average growth in personal income in the mid-Atlantic states and the impact of that growth on taxes paid.

Delaware received $3,226 per capita in fiscal 1990 federal spending, or 84 percent of the U.S. per-capita total, down from 103 percent in fiscal 1981. On a per-capita basis, fiscal 1990 federal expenditures in Delaware stood at 105 percent of the national level for salaries and wages, 96 percent for direct payments to individuals, 90 percent for grants to state and local governments, 48 percent for "other programs," and 32 percent for procurement.

Maryland received $5,671 per capita in fiscal 1990 federal spending, or 148 percent of the U.S. per-capita total, up from 139 percent in fiscal 1981. On a per-capita basis, fiscal 1990 federal expenditures in Maryland stood at 325 percent of the national level for "other programs," 234 percent for salaries and wages, 213 percent for procurement, 104 percent for direct payments to individuals, and 95 percent for grants to state and local governments. Maryland's large per-capita total stems in part from the federal activity in the southern part of the state, which borders Washington, D.C.

New Jersey received $3,664 per capita in fiscal 1990 federal spending, or 95 percent of the U.S. per-capita total, up from 90 percent in fiscal 1981. On a per-capita basis, fiscal 1990 federal expenditures in New Jersey stood at 106 percent of the national level for direct payments to individuals, 99 percent for grants to state and local governments, 85 percent for procurement, 80 percent for salaries and wages, and 35 percent for "other programs."

New York received $3,918 per capita in fiscal 1990 federal spending, or 102 percent of the U.S. per-capita total, the same percentage it received in fiscal 1981. On a per-capita basis, fiscal 1990 federal expenditures in New York stood at 169 percent of the national level for grants to state and local governments, 106 percent for direct payments to individuals, 84 percent for "other programs," 73 percent for procurement, and 65 percent for salaries and wages. New York's per-capita total for all spending and for grants to state and local governments, specifically, may be overstated because of complications that arise from data on payments for Aid to Families with Dependent Children (see section below on "Census Tabulations of Federal Spending by State").

Pennsylvania received $3,823 per capita in fiscal 1990 federal spending, or 100 percent of the U.S. per-capita total, up from 95 percent in fiscal 1981. On a per-capita basis, fiscal 1990 federal expenditures in Pennsylvania stood at 122 percent of the national level for direct payments to individuals, 99 percent for grants to state and local governments, 79 percent for salaries and wages, 72 percent for "other programs," and 53 percent for procurement.

The Midwest

Total per-capita federal spending for the seven states of the Midwest in fiscal 1990 stood at $3,269, or 85 percent of the national per-capita total, up from 81 percent in fiscal 1981 (see Table 1). The Midwest, which received $160.7 billion in fiscal 1990 federal expenditures, would have captured $28.1 billion more had the area's per-capita total equaled the national per-capita amount. No midwestern state exceeded 93 percent of the national per-capita federal spending level.

Per-capita totals for the Midwest in fiscal 1990 surpassed the national level by 7 percent for the "other programs" category, which includes U.S. Department of Agriculture payments to farmers, but they lagged behind the per-capita mark for all other categories (see Table 4). The region's per-capita total for direct payments to individuals stood at 99 percent of the comparable national mark.

Per-capita amounts for the Midwest were below the U.S. level by 6 percent for grants to state and local governments, by 40 percent for salaries and wages, and by 49 percent for procurement. The percentage for wages and salaries in fiscal 1990, although low, was up from 53 percent in fiscal 1981 (see Table 5).

Midwestern states fare much better when spending by the Defense Department is excluded from consideration (see Table 8). The per-capita total for non-Defense Department spending in the Midwest as a whole equaled 96 percent of the comparable U.S. amount. The per-capita percentages rise for all midwestern states when Defense Department spending is excluded (see Tables 4 and 8), with five of the states topping 95 percent and Iowa exceeding the national mark by 11 percent. Iowa moves up in rank for per-capita spending from thirty-fourth for all federal spending to fourteenth for non-Defense Department expenditures, while Michigan moves up from forty-seventh to thirty-fourth, and Illinois rises from forty-fourth to thirty-third.

The midwestern states together earned a return on federal tax dollar of $0.82 in fiscal 1990, up from $0.72 in fiscal 1981 (see Table 6). The increase resulted in part from slower than average growth in the Midwest's personal income and the impact of the lag on taxes paid.

Illinois received $3,210 per capita in fiscal 1990 federal spending, or 84 percent of the U.S. per-capita total, up from 81 percent in fiscal 1981. On a per-capita basis, fiscal 1990 federal expenditures in Illinois stood at 100 percent of the national level for direct payments to individuals, 89 percent for grants to state and local governments, 86 percent for "other programs," 76 percent for salaries and wages, and 35 percent for procurement.

Indiana received $3,051 per capita in fiscal 1990 federal spending, or 79 percent of the U.S. per-capita total, up from 77 percent in fiscal 1981. On a per-capita basis, fiscal 1990 federal expenditures in Indiana stood at 91 percent of the national level for direct payments to individuals, 90 percent for "other programs," 84 percent for grants to state and local governments, 59 percent for salaries and wages, and 54 percent for procurement.

Iowa received $$3,588 per capita in fiscal 1990 federal spending, or 93 percent of the U.S. per-capita total, up from 72 percent in fiscal 1981. On a per-capita basis, fiscal 1990 federal expenditures in Iowa stood at 398 percent of the national level for "other programs," 104 percent for direct payments to individuals, 89 percent for grants to state and local governments, 48 percent for salaries and wages, and 38 percent for procurement.

Michigan received $3,142 per capita in fiscal 1990 federal spending, or 82 percent of the U.S. per-capita total, the same percentage it received in fiscal 1981. On a per-capita basis, fiscal 1990 federal expenditures in Michigan stood at 107 percent of the national level for direct payments to individuals, 98 percent for grants to state and local governments, 50 percent for "other programs," 48 percent for salaries and wages, and 28 percent for procurement.

Minnesota received $3,445 per capita in fiscal 1990 federal spending, or 90 percent of the U.S. per-capita total, up from 85 percent in fiscal 1981. On a per-capita basis, fiscal 1990 federal expenditures in Minnesota stood at 285 percent of the national level for "other programs," 104 percent for grants to state and local governments, 87 percent for direct payments to individuals, 72 percent for procurement, and 56 percent for salaries and wages.

Ohio received $3,496 per capita in fiscal 1990 federal spending, or 91 percent of the U.S. per-capita total, up from 84 percent in fiscal 1981. On a per-capita basis, fiscal 1990 federal expenditures in Ohio stood at 101 percent of the national level for direct payments to individuals, 96 percent for grants to state and local governments, 85 percent for procurement, 66 percent for salaries and wages, and 52 percent for "other programs."

Wisconsin received $3,052 per capita in fiscal 1990 federal spending, or 79 percent of the U.S. per-capita total, the same percentage it received in fiscal 1981. On a per-capita basis, fiscal 1990 federal expenditures in Wisconsin stood at 100 percent of the national level for grants to state and local governments, 97 percent for direct payments to individuals, 82 percent for "other programs," 45 percent for salaries and wages, and 39 percent for procurement.

Census Tabulations of Federal Spending by State

In determining federal expenditures by state for fiscal 1990, the Census Bureau counts spending on grants to state and local governments, direct payments to individuals, federal salaries and wages, federal procurement, and other programs for which breakdowns on state distributions are available. The report excludes some $185 billion in net federal interest payments, as well as international payments and foreign aid, operational expenses aside from salaries or procurement, foreign outlays, and assorted other expenditures.

The major spending categories are described as follows.

- *grants to state and local governments* consist of payments to these jurisdictions from all major departments of the federal government for a wide variety of programs, including, Aid to Families with Dependent Children (AFDC), Community Development Block Grants, energy assistance, food and nutrition services, economic development, education, environmental protection, low-income housing operation and rehabilitation, parks, employment and training efforts, highways, and airports;

- *salaries and wages* include pay for both civilian and military federal employees;

- *direct payments to individuals*--the largest single federal spending category--includes expenditures for Social Security, Medicare, veterans benefits, food stamps, low-income housing assistance, grants and loans made to higher education students, unemployment insurance benefits, and several other purposes;

- *federal procurement* consists of spending for the government's purchase of goods and services, based on actual outlays for the U.S. Postal Service and on the value of obligations for contract actions for all other departments and agencies (the Department of Defense accounted for 72 percent of the overall procurement total); and

- *other programs* includes spending for research and arts grants, agricultural production stabilization programs, outlays to individuals under federal employee life and health insurance programs, and several other purposes.

In interpreting the data in this report for any individual state, it is important to understand that policymakers have little control over most spending for the major categories, particularly in any given year. For example, expenditures for federal procurement relate to national industrial development patterns, payments to individuals depend to a great degree on the population mix of a state, and federal salaries and wages are contingent on the location of military installations and other federal facilities. Of the four major categories of federal spending, only grants to state and local governments are clearly, significantly, and immediately affected by the year-to-year efforts of legislators.

The Census Bureau data provide a valuable record of federal expenditures by state, but some of it complicates analysis of spending patterns. For example, amounts listed for grants to state and local governments include federal spending on AFDC, but the data for this program appear to overestimate or underestimate the dollars an individual state receives. In fact, a substitution of AFDC data from the federal Office of Management and Budget[3] for Census Bureau data reduces the level of federal expenditures going to New York in fiscal 1990 by more than $1.5 billion and drops the state's overall rank for per-capita federal expenditures from twenty-first to twenty-sixth among the 50 states. The Census Bureau is investigating this discrepancy.

Another problems arises because the report's amounts for direct federal payments to individuals include unemployment compensation dollars, which consist mostly of funds that the states themselves generate to deposit in their federal trust fund accounts. Money from each state's account is paid out to unemployed workers in that state as needed. Consequently, while the Census Bureau counts unemployment compensation as a federal expenditure, in effect it is something of a state payment to its residents. Prior to 1989, the Census Bureau's report on federal expenditures by state excluded unemployment compensation payments, except those financed by the federal government itself.

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[3]Executive Office of the President, Office of Management and Budget, *Budget Information for States* (Washington, D.C., February 1991).

Elimination of all unemployment compensation amounts from the data on federal expenditures by state for fiscal 1990 has a limited impact on most states, but does significantly affect the per-capita level of direct payments to individuals for Michigan, Massachusetts, and Rhode Island. Michigan's per-capita amount for direct federal payments to individuals falls from 107 percent of the national level with unemployment compensation included to 99 percent with it excluded. Similarly the per-capita direct payments to individuals shift from 111 percent to 106 percent of the national level for Massachusetts and 115 percent to 111 percent for Rhode Island without the unemployment compensation amounts.

Table 1
Patterns for Total Federal Expenditures by State: Fiscal 1990 and Fiscal 1981[1]

State or Region	1990 Total Spending (in millions of dollars)	1990 Per Capita Total (in dollars)	1990 Percent of U.S. Per Capita Total	1981 Total Spending (in millions of dollars)	1981 Per Capita Total (in dollars)	1981 Percent of U.S. Per Capita Total
New England						
Connecticut	14,739	4,484	117	10,411	3,322	137
Maine	4,925	4,011	104	2,758	2,434	100
Massachusetts	29,778	4,949	129	16,575	2,871	118
New Hampshire	3,559	3,208	84	2,226	2,378	98
Rhode Island	4,318	4,303	112	2,581	2,708	112
Vermont	1,772	3,149	82	1,129	2,188	90
Total	59,091	4,474	116	35,680	2,867	118
Mid-Atlantic						
Delaware	2,149	3,226	84	1,500	2,508	103
Maryland	27,118	5,671	148	14,362	3,369	139
New Jersey	28,322	3,664	95	16,163	2,183	90
New York	70,493	3,918	102	43,574	2,476	102
Pennsylvania	45,424	3,823	100	27,422	2,310	95
Total	173,506	4,030	105	103,021	2,468	102
Midwest						
Illinois	36,696	3,210	84	22,620	1,973	81
Indiana	16,915	3,051	79	10,223	1,870	77
Iowa	9,962	3,588	93	5,031	1,735	72
Michigan	29,205	3,142	82	18,337	1,992	82
Minnesota	15,073	3,445	90	8,470	2,069	85
Ohio	37,920	3,496	91	22,015	2,042	84
Wisconsin	14,928	3,052	79	9,051	1,909	79
Total	160,699	3,269	85	95,747	1,968	81
South						
Alabama	17,261	4,272	111	9,361	2,390	99
Arkansas	8,250	3,510	91	4,900	2,134	88
Florida	51,359	3,970	103	26,385	2,591	107
Georgia	21,149	3,265	85	12,197	2,188	90
Kentucky	13,524	3,670	96	7,430	2,029	84
Louisiana	15,116	3,582	93	10,401	2,414	100
Mississippi	10,066	3,912	102	6,477	2,559	106
North Carolina	20,172	3,043	79	11,189	1,880	78
Oklahoma	11,804	3,753	98	7,027	2,267	94
South Carolina	13,664	3,919	102	6,964	2,199	91
Tennessee	18,049	3,701	96	10,907	2,365	98
Texas	58,237	3,428	89	32,851	2,225	92
Virginia	36,346	5,874	153	19,094	3,516	145
West Virginia	6,609	3,685	96	4,149	2,126	88
Total	301,606	3,799	99	169,332	2,370	98

Table 1
Patterns for Total Federal Expenditures by State: Fiscal 1990 and Fiscal 1981[1] (continued)

State or Region	1990 Total Spending (in millions of dollars)	1990 Per Capita Total (in dollars)	1990 Percent of U.S. Per Capita Total	1981 Total Spending (in millions of dollars)	1981 Per Capita Total (in dollars)	1981 Percent of U.S. Per Capita Total
West						
Alaska	3,227	5,867	153	2,073	5,032	208
Arizona	15,072	4,112	107	7,014	2,510	104
California	115,802	3,891	101	69,416	2,869	118
Colorado	14,586	4,428	115	7,481	2,523	104
Hawaii	5,461	4,928	128	3,811	3,885	160
Idaho	3,888	3,862	101	1,974	2,058	85
Kansas	9,538	3,850	100	5,596	2,348	97
Missouri	24,258	4,741	123	15,130	3,062	126
Montana	3,345	4,186	109	1,778	2,242	92
Nebraska	6,092	3,860	100	3,202	2,030	84
Nevada	4,144	3,448	90	2,178	2,578	106
New Mexico	8,640	5,703	148	4,978	3,748	155
North Dakota	2,910	4,555	119	1,510	2,295	95
Oregon	9,826	3,457	90	5,255	1,982	82
South Dakota	2,863	4,113	107	1,577	2,299	95
Utah	6,511	3,779	98	3,441	2,267	94
Washington	20,149	4,140	108	12,540	2,974	123
Wyoming	1,855	4,090	106	1,568	3,187	131
Total	258,167	4,079	106	150,522	2,767	114
Northeast	232,597	4,135	108	138,701	2,560	106
Midwest	160,699	3,269	85	95,747	1,968	81
Northeast and Midwest	393,296	3,731	97	234,448	2,280	94
South	301,606	3,799	99	169,332	2,370	98
West	258,167	4,079	106	150,522	2,767	114
South and West	559,773	3,923	102	319,854	2,542	105
U.S. Total[2]	953,069	3,841	100	554,302	2,424	100

[1]Amounts do not include data that could not be distributed by state or that were unavailable. Such amounts include interest on the federal debt, international payments and foreign aid, current operational expenses not included under salaries or procurement, expenditures for selected agencies, and foreign outlays.
[2]U.S. totals do not include funds for the District of Columbia, Puerto Rico, or the territories.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1990* (Washington, D.C., March 1991).

Table 2
Distribution of Federal Expenditures by State: Fiscal 1990[1]
(in millions of dollars)

State or Region	Total Spending	Grants to State and Local Governments	Salaries and Wages	Direct Payments to Individuals	Procurement	Other Programs
New England						
Connecticut	14,739	1,973	1,267	6,466	4,443	589
Maine	4,925	762	561	2,566	942	94
Massachusetts	29,778	3,857	2,647	13,253	8,808	1,212
New Hampshire	3,559	427	692	1,925	430	84
Rhode Island	4,318	773	558	2,291	600	96
Vermont	1,772	377	210	1,025	107	53
Total	59,091	8,169	5,935	27,526	15,330	2,128
Mid-Atlantic						
Delaware	2,149	313	384	1,269	138	44
Maryland	27,118	2,350	6,101	9,816	6,694	2,158
New Jersey	28,322	3,977	3,396	16,271	4,307	371
New York	70,493	15,761	6,423	37,595	8,621	2,092
Pennsylvania	45,424	6,125	5,142	28,815	4,153	1,189
Total	173,506	28,526	21,446	93,766	23,913	5,854
Midwest						
Illinois	36,696	5,280	4,755	22,687	2,601	1,372
Indiana	16,915	2,423	1,800	10,024	1,971	696
Iowa	9,962	1,289	733	5,704	700	1,535
Michigan	29,205	4,751	2,432	19,671	1,698	652
Minnesota	15,073	2,366	1,348	7,544	2,078	1,736
Ohio	37,920	5,388	3,922	21,785	6,038	788
Wisconsin	14,928	2,538	1,197	9,374	1,263	555
Total	160,699	24,035	16,187	96,789	16,349	7,334
South						
Alabama	17,261	2,101	2,756	8,589	3,388	426
Arkansas	8,250	1,250	930	5,286	391	393
Florida	51,359	4,576	6,596	32,882	6,616	689
Georgia	21,149	3,136	4,427	10,839	2,228	520
Kentucky	13,524	2,044	1,918	7,267	2,010	284
Louisiana	15,116	2,658	1,863	7,667	2,384	544
Mississippi	10,066	1,595	1,288	5,253	1,616	314
North Carolina	20,172	2,942	3,564	11,540	1,592	533
Oklahoma	11,804	1,568	2,281	6,529	873	553
South Carolina	13,664	1,892	2,407	6,197	2,664	505
Tennessee	18,049	2,717	2,225	9,470	3,308	329
Texas	58,237	6,889	9,060	28,862	11,203	2,224
Virginia	36,346	2,237	10,303	12,525	10,168	1,114
West Virginia	6,609	1,009	600	4,472	325	203
Total	301,606	36,614	50,218	157,378	48,766	8,631

Table 2
Distribution of Federal Expenditures by State: Fiscal 1990[1] (continued)
(in millions of dollars)

State or Region	Total Spending	Grants to State and Local Governments	Salaries and Wages	Direct Payments to Individuals	Procurement	Other Programs
West						
Alaska	3,227	717	1,237	612	529	132
Arizona	15,072	1,620	2,047	7,382	3,667	357
California	115,802	13,932	17,746	51,448	29,500	3,177
Colorado	14,586	1,429	2,757	5,687	4,043	669
Hawaii	5,461	598	2,166	2,034	547	115
Idaho	3,888	569	508	1,803	862	146
Kansas	9,538	1,021	1,465	5,063	1,131	858
Missouri	24,258	2,177	2,858	10,791	6,961	1,472
Montana	3,345	591	523	1,644	167	421
Nebraska	6,092	779	953	3,146	426	787
Nevada	4,144	442	646	2,176	829	50
New Mexico	8,640	959	1,358	2,852	3,256	214
North Dakota	2,910	471	511	1,277	164	488
Oregon	9,826	1,708	1,186	5,960	649	324
South Dakota	2,863	511	503	1,385	119	345
Utah	6,511	838	1,427	2,490	1,543	212
Washington	20,149	2,568	3,584	9,328	3,943	727
Wyoming	1,855	568	315	770	146	56
Total	258,167	31,498	41,790	115,848	58,482	10,550
Northeast	232,597	36,695	27,381	121,292	39,243	7,982
Midwest	160,699	24,035	16,187	96,789	16,349	7,334
Northeast and Midwest	393,296	60,730	43,568	218,081	55,592	15,316
South	301,606	36,614	50,218	157,378	48,766	8,631
West	258,167	31,498	41,790	115,848	58,482	10,550
South and West	559,773	68,112	92,008	273,226	107,248	19,181
U.S. Total[2]	953,069	128,842	135,576	491,307	162,840	34,497

[1]Amounts do not include data that could not be distributed by state or that were unavailable. Such amounts include interest on the federal debt, international payments and foreign aid, current operational expenses not included under salaries or procurement, expenditures for selected agencies, and foreign outlays.
[2]U.S. totals do not include funds for the District of Columbia, Puerto Rico, or the territories.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1990* (Washington, D.C., March 1991).

Table 3
Per Capita Distribution of Federal Expenditures by State: Fiscal 1990[1]
(in dollars)

State or Region	1990 Population	Per Capita Total	Per Capita Grants to State and Local Governments	Per Capita Salaries and Wages	Per Capita Direct Payments to Individuals	Per Capita Procurement	Per Capita Other Programs
New England							
Connecticut	3,287,116	4,484	600	385	1,967	1,352	179
Maine	1,227,928	4,011	621	457	2,090	767	77
Massachusetts	6,016,425	4,949	641	440	2,203	1,464	201
New Hampshire	1,109,252	3,208	385	624	1,735	388	76
Rhode Island	1,003,464	4,303	770	556	2,283	598	96
Vermont	562,758	3,149	670	373	1,821	190	94
Total	13,206,943	4,474	619	449	2,084	1,161	161
Mid-Atlantic							
Delaware	666,168	3,226	470	576	1,905	207	66
Maryland	4,781,468	5,671	491	1,276	2,053	1,400	451
New Jersey	7,730,188	3,664	514	439	2,105	557	48
New York	17,990,455	3,918	876	357	2,090	479	116
Pennsylvania	11,881,643	3,823	516	433	2,425	350	100
Total	43,049,922	4,030	663	498	2,178	555	136
Midwest							
Illinois	11,430,602	3,210	462	416	1,985	228	120
Indiana	5,544,159	3,051	437	325	1,808	356	126
Iowa	2,776,755	3,588	464	264	2,054	252	553
Michigan	9,295,297	3,142	511	262	2,116	183	70
Minnesota	4,375,099	3,445	541	308	1,724	475	397
Ohio	10,847,115	3,496	497	362	2,008	557	73
Wisconsin	4,891,769	3,052	519	245	1,916	258	113
Total	49,160,796	3,269	489	329	1,969	333	149
South							
Alabama	4,040,587	4,272	520	682	2,126	838	105
Arkansas	2,350,725	3,510	532	396	2,249	166	167
Florida	12,937,926	3,970	354	510	2,542	511	53
Georgia	6,478,216	3,265	484	683	1,673	344	80
Kentucky	3,685,296	3,670	555	520	1,972	545	77
Louisiana	4,219,973	3,582	630	441	1,817	565	129
Mississippi	2,573,216	3,912	620	501	2,041	628	122
North Carolina	6,628,637	3,043	444	538	1,741	240	80
Oklahoma	3,145,585	3,753	498	725	2,076	278	176
South Carolina	3,486,703	3,919	543	690	1,777	764	145
Tennessee	4,877,185	3,701	557	456	1,942	678	67
Texas	16,986,510	3,428	406	533	1,699	660	131
Virginia	6,187,358	5,874	362	1,665	2,024	1,643	180
West Virginia	1,793,477	3,685	563	335	2,493	181	113
Total	79,391,394	3,799	461	633	1,982	614	109

Table 3
Per Capita Distribution of Federal Expenditures by State: Fiscal 1990[1] (continued)
(in dollars)

State or Region	1990 Population	Per Capita Total	Per Capita Grants to State and Local Governments	Per Capita Salaries and Wages	Per Capita Direct Payments to Individuals	Per Capita Procurement	Per Capita Other Programs
West							
Alaska	550,043	5,867	1,304	2,249	1,113	962	240
Arizona	3,665,228	4,112	442	558	2,014	1,000	97
California	29,760,021	3,891	468	596	1,729	991	107
Colorado	3,294,394	4,428	434	837	1,726	1,227	203
Hawaii	1,108,229	4,928	540	1,954	1,835	494	104
Idaho	1,006,749	3,862	565	505	1,791	856	145
Kansas	2,477,574	3,850	412	591	2,044	456	346
Missouri	5,117,073	4,741	425	559	2,109	1,360	288
Montana	799,065	4,186	740	655	2,057	209	527
Nebraska	1,578,385	3,860	494	604	1,993	270	499
Nevada	1,201,833	3,448	368	538	1,811	690	42
New Mexico	1,515,069	5,703	633	896	1,882	2,149	141
North Dakota	638,800	4,555	737	800	1,999	257	764
Oregon	2,842,321	3,457	601	417	2,097	228	114
South Dakota	696,004	4,113	734	723	1,990	171	496
Utah	1,722,850	3,779	486	828	1,445	896	123
Washington	4,866,692	4,140	528	736	1,917	810	149
Wyoming	453,588	4,090	1,252	694	1,698	322	123
Total	63,293,918	4,079	498	660	1,830	924	167
Northeast	56,256,865	4,135	652	487	2,156	698	142
Midwest	49,160,796	3,269	489	329	1,969	333	149
Northeast and Midwest	105,417,661	3,731	576	413	2,069	527	145
South	79,391,394	3,799	461	633	1,982	614	109
West	63,293,918	4,079	498	660	1,830	924	167
South and West	142,685,312	3,923	477	645	1,915	752	134
U.S. Total[2]	248,102,973	3,841	519	546	1,980	656	139

[1]Amounts do not include data that could not be distributed by state or that were unavailable. Such amounts include interest on the federal debt, international payments and foreign aid, current operational expenses not included under salaries or procurement, expenditures for selected agencies, and foreign outlays.
[2]U.S. totals do not include funds for the District of Columbia, Puerto Rico, or the territories.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1990* (Washington, D.C., March 1991).

Table 4
State Per Capita Federal Expenditures as a Percent of the U.S. Total: Fiscal 1990[1]

State or Region	Percent of U.S. Per Capita Total	Percent of U.S. Per Capita Grants	Percent of U.S. Per Capita Salaries and Wages	Percent of U.S. Per Capita Direct Payments to Individuals	Percent of U.S. Per Capita Procurement	Percent of U.S. Per Capita Other Programs
New England						
Connecticut	117	116	71	99	206	129
Maine	104	119	84	106	117	55
Massachusetts	129	123	81	111	223	145
New Hampshire	84	74	114	88	59	54
Rhode Island	112	148	102	115	91	69
Vermont	82	129	68	92	29	68
Total	116	119	82	105	177	116
Mid-Atlantic						
Delaware	84	90	105	96	32	48
Maryland	148	95	234	104	213	325
New Jersey	95	99	80	106	85	35
New York	102	169	65	106	73	84
Pennsylvania	100	99	79	122	53	72
Total	105	128	91	110	85	98
Midwest						
Illinois	84	89	76	100	35	86
Indiana	79	84	59	91	54	90
Iowa	93	89	48	104	38	398
Michigan	82	98	48	107	28	50
Minnesota	90	104	56	87	72	285
Ohio	91	96	66	101	85	52
Wisconsin	79	100	45	97	39	82
Total	85	94	60	99	51	107
South						
Alabama	111	100	125	107	128	76
Arkansas	91	102	72	114	25	120
Florida	103	68	93	128	78	38
Georgia	85	93	125	84	52	58
Kentucky	96	107	95	100	83	55
Louisiana	93	121	81	92	86	93
Mississippi	102	119	92	103	96	88
North Carolina	79	85	98	88	37	58
Oklahoma	98	96	133	105	42	126
South Carolina	102	104	126	90	116	104
Tennessee	96	107	83	98	103	49
Texas	89	78	98	86	100	94
Virginia	153	70	305	102	250	129
West Virginia	96	108	61	126	28	81
Total	99	89	116	100	94	78

Table 4
State Per Capita Federal Expenditures as a Percent of the U.S. Total: Fiscal 1990[1] (continued)

State or Region	Percent of U.S. Per Capita Total	Percent of U.S. Per Capita Grants	Percent of U.S. Per Capita Salaries and Wages	Percent of U.S. Per Capita Direct Payments to Individuals	Percent of U.S. Per Capita Procurement	Percent of U.S. Per Capita Other Programs
West						
Alaska	153	251	412	56	147	173
Arizona	107	85	102	102	152	70
California	101	90	109	87	151	77
Colorado	115	84	153	87	187	146
Hawaii	128	104	358	93	75	75
Idaho	101	109	92	90	130	104
Kansas	100	79	108	103	70	249
Missouri	123	82	102	106	207	207
Montana	109	142	120	104	32	379
Nebraska	100	95	110	101	41	359
Nevada	90	71	98	91	105	30
New Mexico	148	122	164	95	327	102
North Dakota	119	142	146	101	39	549
Oregon	90	116	76	106	35	82
South Dakota	107	141	132	100	26	356
Utah	98	94	152	73	136	88
Washington	108	102	135	97	123	107
Wyoming	106	241	127	86	49	89
Total	106	96	121	92	141	120
Northeast	108	126	89	109	106	102
Midwest	85	94	60	99	51	107
Northeast and Midwest	97	111	76	104	80	104
South	99	89	116	100	94	78
West	106	96	121	92	141	120
South and West	102	92	118	97	115	97
U.S. Total[2]	100	100	100	100	100	100

[1]Amounts do not include data that could not be distributed by state or what were unavailable. Such amounts include interest on the federal debt, international payments and foreign aid, current operational expenses not included under salaries or procurement, expenditures for selected agencies, and foreign outlays. If a state or region's per-capita total exceeds 100 percent of the national per-capita amount, then the state or region received more in federal spending per person than the nation as a whole. States and regions below the 100 percent level received less.
[2]U.S. totals do not include funds for the District of Columbia, Puerto Rico, or the territories.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1990* (Washington, D.C., March 1991).

Table 5
Per Capita Federal Expenditures as a Percent of the U.S. Total: Fiscal 1981[1]

State or Region	Percent of U.S. Per Capita Total	Percent of U.S. Per Capita Grants	Percent of U.S. Per Capita Salaries and Wages	Percent of U.S. Per Capita Direct Payments	Percent of U.S Per Capita Procurement	Percent of U.S. Per Capita Other Programs	1981 Population (in thousands)
New England							
Connecticut	137	94	56	95	326	118	3,134
Maine	100	118	79	109	88	44	1,133
Massachusetts	118	125	71	104	175	209	5,773
New Hampshire	98	81	129	99	89	64	936
Rhode Island	112	126	90	117	105	104	953
Vermont	90	135	57	94	70	103	516
Total	118	113	73	102	189	148	12,445
Mid-Atlantic							
Delaware	103	131	94	98	104	47	598
Maryland	139	110	252	101	163	118	4,263
New Jersey	90	97	72	102	75	45	7,404
New York	102	147	57	106	92	109	17,602
Pennsylvania	95	102	72	117	59	79	11,871
Total	102	121	84	108	87	89	41,738
Midwest							
Illinois	81	100	70	98	37	124	11,462
Indiana	77	79	51	91	66	54	5,468
Iowa	72	83	39	96	31	96	2,899
Michigan	82	111	41	103	45	59	9,204
Minnesota	85	108	48	90	70	342	4,094
Ohio	84	86	60	101	65	54	10,781
Wisconsin	79	121	36	94	36	221	4,742
Total	81	98	53	97	50	114	48,650
South							
Alabama	99	95	139	106	59	41	3,917
Arkansas	88	96	71	113	40	57	2,296
Florida	107	70	93	139	79	35	10,183
Georgia	90	97	136	89	56	52	5,574
Kentucky	84	97	97	100	30	29	3,662
Louisiana	100	100	69	81	167	44	4,308
Mississippi	106	108	108	99	120	49	2,531
North Carolina	78	80	105	87	34	65	5,953
Oklahoma	94	84	135	99	59	68	3,100
South Carolina	91	79	140	90	66	50	3,167
Tennessee	98	103	111	97	86	77	4,612
Texas	92	70	107	82	118	104	14,766
Virginia	145	85	305	107	164	48	5,430
West Virginia	88	120	52	121	18	22	1,952
Total	98	85	121	100	87	60	71,451

Table 5
Per Capita Federal Expenditures as a Percent of the U.S. Total: Fiscal 1981[1] (continued)

State or Region	Percent of U.S. Per Capita Total	Percent of U.S. Per Capita Grants	Percent of U.S. Per Capita Salaries and Wages	Percent of U.S. Per Capita Direct Payments	Percent of U.S Per Capita Procurement	Percent of U.S. Per Capita Other Programs	1981 Population (in thousands)
West							
Alaska	208	271	519	56	270	103	412
Arizona	104	77	119	108	107	53	2,794
California	118	103	123	95	177	137	24,196
Colorado	104	86	165	86	116	79	2,965
Hawaii	160	112	408	92	173	58	981
Idaho	85	94	94	86	67	136	959
Kansas	97	81	107	101	94	65	2,383
Missouri	126	84	99	107	203	465	4,941
Montana	92	141	119	94	33	45	793
Nebraska	84	82	108	98	38	65	1,577
Nevada	106	103	134	89	132	25	845
New Mexico	155	134	190	96	281	53	1,328
North Dakota	95	120	157	89	42	70	658
Oregon	82	110	64	101	29	77	2,651
South Dakota	95	129	131	97	36	77	686
Utah	94	97	170	73	81	84	1,518
Washington	123	105	144	98	178	83	4,217
Wyoming	131	162	121	68	259	50	492
Total	114	101	132	96	151	136	54,396
Northeast	106	120	82	106	110	103	54,183
Midwest	81	98	53	97	50	114	48,650
Northeast and Midwest	94	109	68	102	82	108	102,833
South	98	85	121	100	87	60	71,451
West	114	101	132	96	151	136	54,396
South and West	105	92	126	98	115	93	125,847
U.S. Total[2]	100	100	100	100	100	100	228,680

[1]Amounts do not include data that could not be distributed by state or that were unavailable. Such amounts include interest on the federal debt, international payments and foreign aid, current operational expenses not included under salaries or procurement, expenditures for selected agencies, and foreign outlays. If a state or region's per capita total exceeds 100 percent of the national per capita amount, then the state or region received more in federal spending per person than the nation as a whole. States and regions below the 100 percent level received less.

[2]U.S. totals do not include funds for the District of Columbia, Puerto Rico, or the territories.

SOURCES: U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1981* (population) (Washington, D.C., February 1983); and *Federal Expenditures by State for Fiscal Year 1990* (Washington, D.C., March 1991).

Table 6
Tax Burden Per Capita and Return on Federal Tax Dollar: Fiscal 1990 and Fiscal 1981

State or Region	Total Federal Taxes Paid, Fiscal 1990[1] (in millions)	1990 Per Capita Tax Burden[2] (in dollars)	1990 Total Federal Expenditures Received[3] (in millions)	1990 Return On Federal Tax Dollar[4] (in dollars)	1981 Return On Federal Tax Dollar[5] (in dollars)
New England					
Connecticut	20,728	6,306	14,739	0.71	1.02
Maine	4,221	3,437	4,925	1.17	1.28
Massachusetts	30,446	5,060	29,778	0.98	1.09
New Hampshire	5,278	4,758	3,559	0.67	0.96
Rhode Island	4,307	4,292	4,318	1.00	1.08
Vermont	2,109	3,748	1,772	0.84	1.08
Total	67,089	5,080	59,091	0.88	1.07
Mid-Atlantic					
Delaware	3,276	4,918	2,149	0.66	0.89
Maryland	22,893	4,788	27,118	1.18	1.19
New Jersey	46,055	5,958	28,322	0.61	0.72
New York	88,884	4,941	70,493	0.79	0.91
Pennsylvania	48,353	4,070	45,424	0.94	0.91
Total	209,461	4,866	173,506	0.83	0.90
Midwest					
Illinois	52,589	4,601	36,696	0.70	0.65
Indiana	19,457	3,509	16,915	0.87	0.72
Iowa	9,586	3,452	9,962	1.04	0.68
Michigan	37,674	4,053	29,205	0.78	0.69
Minnesota	17,545	4,010	15,073	0.86	0.81
Ohio	40,814	3,763	37,920	0.93	0.77
Wisconsin	18,145	3,709	14,928	0.82	0.77
Total	195,810	3,983	160,699	0.82	0.72
South					
Alabama	11,877	2,939	17,261	1.45	1.26
Arkansas	6,568	2,794	8,250	1.26	1.19
Florida	52,191	4,034	51,359	0.98	1.15
Georgia	22,744	3,511	21,149	0.93	1.09
Kentucky	10,779	2,925	13,524	1.25	0.99
Louisiana	12,057	2,857	15,116	1.25	1.12
Mississippi	6,020	2,339	10,066	1.67	1.57
North Carolina	21,914	3,306	20,172	0.92	0.96
Oklahoma	9,836	3,127	11,804	1.20	0.97
South Carolina	10,025	2,875	13,664	1.36	1.21
Tennessee	16,167	3,315	18,049	1.12	1.14
Texas	60,804	3,580	58,237	0.96	0.90
Virginia	25,614	4,140	36,346	1.42	1.42
West Virginia	4,752	2,650	6,609	1.39	1.05
Total	271,348	3,418	301,606	1.11	1.09

Table 6
Tax Burden Per Capita and Return on Federal Tax Dollar: Fiscal 1990 and Fiscal 1981 (continued)

State or Region	Total Federal Taxes Paid, Fiscal 1990[1] (in millions)	1990 Per Capita Tax Burden[2] (in dollars)	1990 Total Federal Expenditures Received[3] (in millions)	1990 Return On Federal Tax Dollar[4] (in dollars)	1981 Return On Federal Tax Dollar[5] (in dollars)
West					
Alaska	2,841	5,165	3,227	1.14	1.37
Arizona	12,079	3,296	15,072	1.25	1.15
California	132,189	4,442	115,802	0.88	1.01
Colorado	12,684	3,850	14,586	1.15	0.98
Hawaii	4,600	4,151	5,461	1.19	1.49
Idaho	2,883	2,864	3,888	1.35	1.03
Kansas	9,234	3,727	9,538	1.03	0.87
Missouri	18,671	3,649	24,258	1.30	1.24
Montana	2,425	3,035	3,345	1.38	0.99
Nebraska	5,529	3,503	6,092	1.10	0.81
Nevada	5,232	4,353	4,144	0.79	0.94
New Mexico	4,282	2,826	8,640	2.02	1.82
North Dakota	1,981	3,101	2,910	1.47	1.00
Oregon	10,131	3,564	9,826	0.97	0.77
South Dakota	2,065	2,967	2,863	1.39	1.13
Utah	4,597	2,668	6,511	1.42	1.21
Washington	19,516	4,010	20,149	1.03	1.06
Wyoming	1,601	3,530	1,855	1.16	1.12
Total	252,540	3,990	258,167	1.02	1.05
Northeast	276,550	4,916	232,597	0.84	0.94
Midwest	195,810	3,983	160,699	0.82	0.72
Northeast and Midwest	472,360	4,481	393,296	0.83	0.83
South	271,348	3,418	301,606	1.11	1.09
West	252,540	3,990	258,167	1.02	1.05
South and West	523,888	3,672	559,773	1.07	1.07
U.S. Total[6]	996,248	4,015	953,069	0.96	0.96

[1]The Tax Foundation, *Special Report: Federal Tax Burden by State 1991* (Washington, D.C., March 1991).
[2]All per-capita amounts based on population data found in U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1990* (Washington, D.C., March 1991).
[3]U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1990* (Washington, D.C., March 1991). Amounts do not include data that could not be distributed by state or that were unavailable. Such amounts include interest on the federal debt, international payments and foreign aid, current operational expenses not included under salaries or procurement, expenditures for selected agencies, and foreign outlays.
[4]Amounts refer to federal expenditures received for every dollar paid in federal taxes. Return on federal tax dollar is influenced by each state's personal income level, which in turn affects the level of taxes paid.
[5]Returns on federal tax dollars for 1981 are based on U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1990*, historical tables, (Washington, D.C., March 1991); and The Tax Foundation, *Special Report: Federal Tax Burden by State 1990*, historical tables, (Washington, D.C., May 1990).
[6]U.S. totals do not include funds for the District of Columbia, Puerto Rico, or the territories.

Table 7
Projected Change in Federal Spending Patterns if Fiscal 1990 Expenditures Had Been Proportional to Tax Burden

State or Region	Total Federal Taxes Paid[1] (in millions)	Percent of Total Federal Tax Burden By State	Projected Total for Federal Expenditures Based On Tax Burden	Actual Federal Expenditures Received[2] (in millions)	Difference Between Projected and Actual Spending
New England					
Connecticut	20,728	2.08	19,830	14,739	5,091
Maine	4,221	0.42	4,038	4,925	-887
Massachusetts	30,446	3.06	29,126	29,778	-652
New Hampshire	5,278	0.53	5,049	3,559	1,490
Rhode Island	4,307	0.43	4,120	4,318	-198
Vermont	2,109	0.21	2,018	1,772	246
Total	67,089	6.73	64,181	59,091	5,090
Mid-Atlantic					
Delaware	3,276	0.33	3,134	2,149	985
Maryland	22,893	2.30	21,901	27,118	-5,217
New Jersey	46,055	4.62	44,059	28,322	15,737
New York	88,884	8.92	85,032	70,493	14,539
Pennsylvania	48,353	4.85	46,257	45,424	833
Total	209,461	21.02	200,383	173,506	26,877
Midwest					
Illinois	52,589	5.28	50,310	36,696	13,614
Indiana	19,457	1.95	18,614	16,915	1,699
Iowa	9,586	0.96	9,171	9,962	-791
Michigan	37,674	3.78	36,041	29,205	6,836
Minnesota	17,545	1.76	16,785	15,073	1,712
Ohio	40,814	4.10	39,045	37,920	1,125
Wisconsin	18,145	1.82	17,359	14,928	2,431
Total	195,810	19.65	187,323	160,699	26,624
South					
Alabama	11,877	1.19	11,362	17,261	-5,899
Arkansas	6,568	0.66	6,283	8,250	-1,967
Florida	52,191	5.24	49,929	51,359	-1,430
Georgia	22,744	2.28	21,758	21,149	609
Kentucky	10,779	1.08	10,312	13,524	-3,212
Louisiana	12,057	1.21	11,534	15,116	-3,582
Mississippi	6,020	0.60	5,759	10,066	-4,307
North Carolina	21,914	2.20	20,964	20,172	792
Oklahoma	9,836	0.99	9,410	11,804	-2,394
South Carolina	10,025	1.01	9,591	13,664	-4,073
Tennessee	16,167	1.62	15,466	18,049	-2,583
Texas	60,804	6.10	58,169	58,237	-68
Virginia	25,614	2.57	24,504	36,346	-11,842
West Virginia	4,752	0.48	4,546	6,609	-2,063
Total	271,348	27.24	259,587	301,606	-42,019

Table 7
Projected Change in Federal Spending Patterns if Fiscal 1990 Expenditures Had Been Proportional to Tax Burden (continued)

State or Region	Total Federal Taxes Paid[1] (in millions)	Percent of Total Federal Tax Burden By State	Projected Total for Federal Expenditures Based On Tax Burden	Actual Federal Expenditures Received[2] (in millions)	Difference Between Projected and Actual Spending
West					
Alaska	2,841	0.29	2,718	3,227	-509
Arizona	12,079	1.21	11,555	15,072	-3,517
California	132,189	13.27	126,460	115,802	10,658
Colorado	12,684	1.27	12,134	14,586	-2,452
Hawaii	4,600	0.46	4,401	5,461	-1,060
Idaho	2,883	0.29	2,758	3,888	-1,130
Kansas	9,234	0.93	8,834	9,538	-704
Missouri	18,671	1.87	17,862	24,258	-6,396
Montana	2,425	0.24	2,320	3,345	-1,025
Nebraska	5,529	0.55	5,289	6,092	-803
Nevada	5,232	0.53	5,005	4,144	861
New Mexico	4,282	0.43	4,096	8,640	-4,544
North Dakota	1,981	0.20	1,895	2,910	-1,015
Oregon	10,131	1.02	9,692	9,826	-134
South Dakota	2,065	0.21	1,975	2,863	-888
Utah	4,597	0.46	4,398	6,511	-2,113
Washington	19,516	1.96	18,670	20,149	-1,479
Wyoming	1,601	0.16	1,532	1,855	-323
Total	252,540	25.35	241,595	258,167	-16,572
Northeast	276,550	27.76	264,564	232,597	31,967
Midwest	195,810	19.65	187,323	160,699	26,624
Northeast and Midwest	472,360	47.41	451,887	393,296	58,591
South	271,348	27.24	259,587	301,606	-42,019
West	252,540	25.35	241,595	258,167	-16,572
South and West	523,888	52.59	501,182	559,773	-58,591
U.S. Total[3]	996,248	100.00	953,069	953,069	0

[1]The Tax Foundation, *Special Report: Federal Tax Burden by State 1991* (Washington, D.C., March 1991).
[2]U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1990* (Washington, D.C., March 1991). Amounts do not include data that could not be distributed by state or that were unavailable. Such amounts include interest on the federal debt, international payments and foreign aid, current operational expenses not included under salaries or procurement, expenditures for selected agencies, and foreign outlays.
[3]U.S. totals do not include funds for the District of Columbia, Puerto Rico, or the territories.

Table 8
Federal Spending for the Department of Defense and All Other Agencies: Fiscal 1990[1]

State or Region	Total Non-DOD Spending (in millions of dollars)	Per Capita Non-DOD Spending (in dollars)	Percent of Per Capita Non-DOD Spending	Per Capita Ranking for Non-DOD Spending	Per Capita Ranking Total Spending	Total DOD Spending (in millions of dollars)	Per Capita DOD Spending (in dollars)	Percent of Per Capita DOD Spending
New England								
Connecticut	9,839	2,993	99	29	9	4,900	1,491	179
Maine	3,682	2,999	100	27	18	1,243	1,012	122
Massachusetts	20,869	3,469	115	8	5	8,909	1,481	178
New Hampshire	2,657	2,395	80	50	45	902	813	98
Rhode Island	3,361	3,349	111	13	11	957	954	115
Vermont	1,619	2,877	96	38	46	153	272	33
Total	42,027	3,182	106			17,064	1,292	156
Mid-Atlantic								
Delaware	1,813	2,722	90	42	43	336	504	61
Maryland	19,883	4,158	138	2	4	7,235	1,513	182
New Jersey	23,117	2,990	99	30	33	5,205	673	81
New York	62,149	3,455	115	9	21	8,344	464	56
Pennsylvania	40,061	3,372	112	12	27	5,363	451	54
Total	147,023	3,415	113			26,483	615	74
Midwest								
Illinois	33,538	2,934	97	33	44	3,158	276	33
Indiana	14,259	2,572	85	46	49	2,656	479	58
Iowa	9,275	3,340	111	14	34	687	247	30
Michigan	27,030	2,908	97	34	47	2,175	234	28
Minnesota	12,956	2,961	98	31	40	2,117	484	58
Ohio	31,509	2,905	96	35	37	6,411	591	71
Wisconsin	13,602	2,781	92	41	48	1,326	271	33
Total	142,169	2,892	96			18,530	377	45
South								
Alabama	13,340	3,302	110	15	12	3,921	970	117
Arkansas	7,253	3,085	102	22	36	997	424	51
Florida	40,984	3,168	105	21	19	10,375	802	97
Georgia	16,191	2,499	83	48	42	4,958	765	92
Kentucky	11,804	3,203	106	19	32	1,720	467	56
Louisiana	12,258	2,905	96	36	35	2,858	677	82
Mississippi	7,615	2,959	98	32	22	2,451	953	115
North Carolina	15,953	2,407	80	49	50	4,219	636	77
Oklahoma	9,417	2,994	99	28	29	2,387	759	91
South Carolina	10,528	3,019	100	26	20	3,136	899	108
Tennessee	15,974	3,275	109	18	30	2,075	425	51
Texas	42,660	2,511	83	47	41	15,577	917	110
Virginia	18,966	3,065	102	24	1	17,380	2,809	338
West Virginia	6,193	3,453	115	10	31	416	232	28
Total	229,136	2,886	96			72,470	913	110

Table 8
Federal Spending for the Department of Defense and All Other Agencies: Fiscal 1990[1] (continued)

State or Region	Total Non-DOD Spending (in millions of dollars)	Per Capita Non-DOD Spending (in dollars)	Percent of Per Capita Non-DOD Spending	Per Capita Ranking for Non-DOD Spending	Per Capita Ranking Total Spending	Total DOD Spending (in millions of dollars)	Per Capita DOD Spending (in dollars)	Percent of Per Capita DOD Spending
West								
Alaska	1,882	3,422	114	11	2	1,345	2,445	294
Arizona	10,212	2,786	93	40	16	4,860	1,326	160
California	80,335	2,699	90	43	23	35,467	1,192	143
Colorado	9,523	2,891	96	37	10	5,063	1,537	185
Hawaii	2,857	2,578	86	45	6	2,604	2,350	283
Idaho	3,564	3,540	118	7	24	324	322	39
Kansas	7,631	3,080	102	23	26	1,907	770	93
Missouri	16,768	3,277	109	17	7	7,490	1,464	176
Montana	3,050	3,817	127	4	13	295	369	44
Nebraska	5,191	3,289	109	16	25	901	571	69
Nevada	3,421	2,846	95	39	39	723	602	72
New Mexico	7,018	4,632	154	1	3	1,622	1,071	129
North Dakota	2,487	3,893	129	3	8	423	662	80
Oregon	9,047	3,183	106	20	38	779	274	33
South Dakota	2,565	3,685	122	5	15	298	428	52
Utah	4,620	2,682	89	44	28	1,891	1,098	132
Washington	14,787	3,038	101	25	14	5,362	1,102	133
Wyoming	1,624	3,580	119	6	17	231	509	61
Total	186,582	2,948	98			71,585	1,131	136
Northeast	189,050	3,360	112			43,547	774	93
Midwest	142,169	2,892	96			18,530	377	45
Northeast and Midwest	331,219	3,142	104			62,077	589	71
South	229,136	2,886	96			72,470	913	110
West	186,582	2,948	98			71,585	1,131	136
South and West	415,718	2,914	97			144,055	1,010	122
U.S. Total[2]	746,937	3,011	100			206,132	831	100

[1]DOD refers to Department of Defense only, not total defense spending. Non-DOD means all other agencies and programs. Amounts do not include data that could not be distributed by state or that were unavailable. Such amounts include interest on the federal debt, international payments and foreign aid, current operational expenses not included under salaries or procurement, expenditures for selected agencies, and foreign outlays.
[2]U.S. totals do not include funds for the District of Columbia, Puerto Rico, or the territories.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1990* (Washington, D.C., March 1991).

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Northeast-Midwest Report

NORTHEAST
MIDWEST
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The Northeast-Midwest Institute was formed in 1977 at the request of representatives and senators who wanted to ensure the future economic vitality of those states that historically have formed the nation's industrial heartland. The Institute works closely with the Northeast-Midwest Congressional Coalition, a bipartisan group of nearly 200 representatives, and with the 36 senators who comprise the Northeast-Midwest Senate Coalition. In addition to elected officials, the Institute provides information and analysis to corporate, academic, and labor leaders who recognize the common problems facing their states and the fact that federal policies often create obstacles to regional economic growth. Institute staff work in five major issue areas: economic development, human resources, energy, natural resources, and trade.

Federal Spending in the Northeast and Midwest: Fiscal 1991

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Regional Patterns of Federal Spending

The federal government sent fewer dollars to the Northeast-Midwest region than to the South and West in fiscal 1991, continuing a long-standing pattern of spending more in southern and western states. Federal spending in the Northeast and Midwest totaled $4,036 per person in fiscal 1991, compared to $4,229 in the South and West, according to data compiled by the U.S. Bureau of the Census on federal expenditures by state.[1]

The Northeast and Midwest, which received $428.45 billion in fiscal 1991 funding tracked to the state level, would have captured an additional $11.85 billion if federal spending per person in the region had been equal to the average amount per person for all 50 states (see Table 1). The region contains 42.2 percent of the U.S. population, but received 41.1 percent of the federal spending (see Table 2). Twelve of the 18 northeastern and midwestern states received federal dollars per person at levels lower than the U.S. average--New Hampshire, Vermont, Delaware, New Jersey, Pennsylvania, Illinois, Indiana, Iowa, Michigan, Minnesota, Ohio, and Wisconsin.

The problem of federal disinvestment in the region is exacerbated by the pattern for federal taxes paid out from the states. For all but one year in the last ten, the Northeast-Midwest region has sent more in tax dollars to the federal government than it has received back in federal expenditures.[2] In fiscal 1990--the most recent year for which tax data are available--the region received $0.83 in federal spending tracked to the state level for every $1 in taxes sent to Washington. This drain of funds continues despite increased regional needs for infrastructure repair and maintenance, economic development, environmental clean-up, and social services.

A breakdown of fiscal 1991 federal spending levels by type shows that the Northeast-Midwest region received less per capita than the South and West for salaries and wages, and procurement. The region received more for grants to state and local governments, direct payments to individuals, and the "other" category (see Tables 3 and 4).

Despite continued regional inequities, per-capita federal spending in the Northeast and Midwest was somewhat closer to the national per-capita level in fiscal 1991 than a decade earlier. Last year, federal spending per person in the Northeast-Midwest region stood at 97 percent of the $4,147 per person that the federal government spent nationwide, up from 94 percent in fiscal 1981 (see Table 5).

Within the Northeast-Midwest region, New England received $4,843 per person in fiscal 1991 federal spending, surpassing the U.S. average. Federal spending per person in the Mid-Atlantic area, at $4,364, also exceeded the U.S. level, mostly because of heavy federal spending in Maryland. However, New England and the Mid-Atlantic area both contributed more in federal taxes than they received in federal expenditures, according to

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[1]U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1991* (Washington, D.C, March 1992).

[2]Calculations for returns on federal tax dollar were made using federal expenditure levels from the Bureau of the Census and tax information from the Tax Foundation, *Special Report: Federal Tax Burden by State 1991* (Washington, D.C., March 1991).

fiscal 1990 data, with New England receiving a $0.88 return on dollar that year and the Mid-Atlantic receiving $0.83.

At $3,535, per-capita federal spending in the Midwest lagged behind the U.S. level, in large part because of low Department of Defense expenditures in the area. The Midwest's per-capita level stood at just 85 percent of the national per-capita level in fiscal 1991, but it rose to 95 percent of the national per-capita mark for expenditures excluding the Department of Defense (see Table 5). In fiscal 1990, the Midwest received $0.82 in federal expenditures for every federal tax dollar it gave to the federal government.

Expected cutbacks in military spending over the next several years could help alleviate regional disparities in overall per-capita federal expenditures because Department of Defense spending favors the South and West. If dollars from the Defense Department are excluded from fiscal 1991 data on federal expenditures by state, per-capita spending in the Northeast and Midwest, at $3,429, exceeds the national level of $3,281, while the $3,174 for the South and West falls below it. New England does worse without Department of Defense, dropping from 117 percent of the U.S. per-capita amount for all spending to 109 percent of the per-person amount for non-Department of Defense spending.

Understanding the Analysis

In interpreting the state-by-state information in this report, it is important to understand that individual members of Congress have limited control over spending for the major categories, particularly in any given year. For example, expenditures for federal procurement relate to national industrial development patterns, payments to individuals depend to a great degree on the population mix of a state, and federal salaries and wages are contingent upon the location of military installations and other federal facilities. Even for grants to state and local governments, federal lawmakers have limited ability to affect spending levels through year-to-year legislative changes in program formulas and priorities.

Much of the analysis presented in this report takes state and regional per-capita amounts and compares them to U.S. per-capita levels. For example, federal spending in the Northeast and Midwest amounted to $4,036 per person, or 97 percent of the $4,147 per person spent nationwide. Comparisons between per-capita federal spending in a state and the U.S. per-capita amount indicate where the state stands in relationship to a national spending level while controlling for inflation, population changes, and general increases or decreases in federal spending over time. The amount a state or region receives in federal expenditures is divided by its population, while the total for all federal expenditures tracked to the state level is divided by the 50-state U.S. population. The state per-capita level is then taken as a percentage of the U.S. level. If a state's per-capita total exceeds 100 percent of the national per-capita amount, the state received more in federal spending per person than the nation as a whole. States below the 100 percent mark received less.

The District of Columbia is excluded from all calculations and U.S. totals found in this report in order to avoid overstating federal expenditures by state for the South.

New England

Taken together, the six New England states received $4,843 per person in fiscal 1991 federal spending, or 117 percent of the U.S. per-capita amount of $4,147. In fiscal 1981, total federal spending per person in New England stood at 118 percent of the national per-capita level. New England, which received a total of $63.92 billion in fiscal 1991 federal expenditures overall, would have captured $9.18 billion less if federal spending per person in the area had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in New England drops to 109 percent of the U.S. per-capita level.

When the amounts per person for fiscal 1991 federal spending by category in New England are compared to the amounts by category nationwide, the following patterns emerge: New England stood at 128 percent of the U.S. level for grants to state and local governments; 80 percent for salaries and wages; 107 percent for direct payments to individuals; 167 percent for procurement; and 108 percent for other programs.

Connecticut received $5,001 per person in fiscal 1991 federal spending, or 121 percent of the U.S. per-capita amount, down from 137 percent in fiscal 1981. The state ranked ninth for fiscal 1991 federal spending per person. Federal spending in Connecticut totaled $16.46 billion overall. The state would have lost $2.81 billion if federal spending per person had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in Connecticut falls to 101 percent of the U.S. per-capita level, and the state rank for per-capita spending changes to 27th.

On a per-capita basis, Connecticut stood at 124 percent of the U.S. level for grants to state and local governments; 69 percent for salaries and wages; 102 percent for direct payments to individuals; 227 percent for procurement; and 66 percent for other programs.

Maine received $4,535 per person in fiscal 1991 federal spending, or 109 percent of the U.S. per-capita amount, up from 100 percent in fiscal 1981. The state ranked 13th for fiscal 1991 federal spending per person. Federal spending in Maine totaled $5.60 billion overall. The state would have lost $479 million if federal spending per person had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in Maine falls to 102 percent of the U.S. per-capita level, and the state rank for per-capita spending changes to 25th.

On a per-capita basis, Maine stood at 128 percent of the U.S. level for grants to state and local governments; 81 percent for salaries and wages; 108 percent for direct payments to individuals; 131 percent for procurement; and 53 percent for other programs.

Massachusetts received $5,245 per person in fiscal 1991 federal spending, or 126 percent of the U.S. per-capita amount, up from 119 percent in fiscal 1981. The state ranked sixth for fiscal 1991 federal spending per person. Federal spending in Massachusetts totaled $31.45 billion overall. The state would have lost $6.58 billion if federal spending per person had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in Massachusetts falls to 119 percent of the U.S. per-capita level, but the state rank for per-capita spending remains sixth.

On a per-capita basis, Massachusetts stood at 134 percent of the U.S. level for grants to state and local governments; 81 percent for salaries and wages; 113 percent for direct payments to individuals; 190 percent for procurement; and 160 percent for other programs.

New Hampshire received $3,506 per person in fiscal 1991 federal spending, or 85 percent of the U.S. per-capita amount, down from 98 percent in fiscal 1981. The state ranked 45th for fiscal 1991 federal spending per person. Federal spending in New Hampshire totaled $3.87 billion overall. The state would have gained $709 million if federal spending per person had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in New Hampshire falls to 82 percent of the U.S. per-capita level, and the state rank for per-capita spending changes to 49th.

On a per-capita basis, New Hampshire stood at 83 percent of the U.S. level for grants to state and local governments; 98 percent for salaries and wages; 90 percent for direct payments to individuals; 63 percent for procurement; and 60 percent for other programs.

Rhode Island received $4,585 per person in fiscal 1991 federal spending, or 111 percent of the U.S. per-capita amount, down slightly from 112 percent in fiscal 1981. The state ranked 12th for fiscal 1991 federal spending per person. Federal spending in Rhode Island totaled $4.60 billion overall. The state would have lost $440 million if federal spending per person had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in Rhode Island rises to 115 percent of the U.S. per-capita level, and the state rank for per-capita spending changes to 11th.

On a per-capita basis, Rhode Island stood at 154 percent of the U.S. level for grants to state and local governments; 100 percent for salaries and wages; 119 percent for direct payments to individuals; 64 percent for procurement; and 75 percent for other programs.

Vermont received $3,404 per person in fiscal 1991 federal spending, or 82 percent of the U.S. per-capita amount, down from 90 percent in fiscal 1981. The state ranked 47th for fiscal 1991 federal spending per person. Federal spending in Vermont totaled $1.93 billion overall. The state would have gained $422 million if federal spending per person had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in Vermont rises to 95 percent of the U.S. per-capita level, and the state rank for per-capita spending changes to 38th.

On a per-capita basis, Vermont stood at 123 percent of the U.S. level for grants to state and local governments; 67 percent for salaries and wages; 94 percent for direct payments to individuals; 29 percent for procurement; and 67 percent for other programs.

The Mid-Atlantic Area

Taken together, the five Mid-Atlantic states received $4,364 per person in fiscal 1991 federal spending, or 105 percent of the U.S. per-capita amount of $4,147. In fiscal 1981, total federal spending per person in the Mid-Atlantic area stood at 102 percent of

the national per-capita level. The Mid-Atlantic area, which received a total of $189.06 billion in fiscal 1991 federal expenditures overall, would have captured $9.39 billion less if federal spending per person there had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in the Mid-Atlantic states rises to 114 percent of the U.S. per-capita level.

When the amounts per person for fiscal 1991 federal spending by category in Mid-Atlantic area are compared to the amounts by category nationwide, the following patterns emerge: The Mid-Atlantic area stood at 124 percent of the U.S. level for grants to state and local governments; 90 percent for salaries and wages; 111 percent for direct payments to individuals; 87 percent for procurement; and 97 percent for other programs.

Delaware received $3,581 per person in fiscal 1991 federal spending, or 86 percent of the U.S. per-capita amount, down from 104 percent in fiscal 1981. The state ranked 42nd for fiscal 1991 federal spending per person. Federal spending in Delaware totaled $2.44 billion overall. The state would have gained $385 million if federal spending per person had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in Delaware rises to 91 percent of the U.S. per-capita level, and the state rank for per-capita spending changes to 41st.

On a per-capita basis, Delaware stood at 97 percent of the U.S. level for grants to state and local governments; 106 percent for salaries and wages; 97 percent for direct payments to individuals; 39 percent for procurement; and 40 percent for other programs.

Maryland received $6,071 per person in fiscal 1991 federal spending, or 146 percent of the U.S. per-capita amount, up from 139 percent in fiscal 1981. The state ranked third for fiscal 1991 federal spending per person. Federal spending in Maryland totaled $29.51 billion overall. The state would have lost $9.35 billion if federal spending per person had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in Maryland falls to 140 percent of the U.S. per-capita level, but the state rank for per-capita spending changes to second.

On a per-capita basis, Maryland stood at 90 percent of the U.S. level for grants to state and local governments; 231 percent for salaries and wages; 104 percent for direct payments to individuals; 213 percent for procurement; and 334 percent for other programs.

New Jersey received $3,977 per person in fiscal 1991 federal spending, or 96 percent of the U.S. per-capita amount, up from 90 percent in fiscal 1981. The state ranked 32nd for fiscal 1991 federal spending per person. Federal spending in New Jersey totaled $30.86 billion overall. The state would have gained $1.32 billion if federal spending per person had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in New Jersey rises to 100 percent of the U.S. per-capita level, and the state rank for per-capita spending changes to 28th.

On a per-capita basis, New Jersey stood at 99 percent of the U.S. level for grants to state and local governments; 79 percent for salaries and wages; 108 percent for direct payments to individuals; 83 percent for procurement; and 30 percent for other programs.

New York received $4,252 per person in fiscal 1991 federal spending, or 103 percent of the U.S. per-capita amount, up slightly from 102 percent in fiscal 1981. The state ranked 18th for fiscal 1991 federal spending per person. Federal spending in New York totaled $76.79 billion overall. The state would have lost $1.90 billion if federal spending per person had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in New York rises to 115 percent of the U.S. per-capita level, and the state rank for per-capita spending changes to tenth.

On a per-capita basis, New York stood at 163 percent of the U.S. level for grants to state and local governments; 65 percent for salaries and wages; 107 percent for direct payments to individuals; 77 percent for procurement; and 76 percent for other programs.

Pennsylvania received $4,135 per person in fiscal 1991 federal spending, or approximately 100 percent of the U.S. per-capita amount, up from 95 percent in fiscal 1981. The state ranked 26th for fiscal 1991 federal spending per person. Federal spending in Pennsylvania totaled $49.46 billion overall. The state would have gained $145 million if federal spending per person had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in Pennsylvania rises to 112 percent of the U.S. per-capita level, and the state rank for per-capita spending changes to 13th.

On a per-capita basis, Pennsylvania stood at 98 percent of the U.S. level for grants to state and local governments; 76 percent for salaries and wages; 123 percent for direct payments to individuals; 56 percent for procurement; and 78 percent for other programs.

The Midwest

Taken together, the seven midwestern states received $3,535 per person in fiscal 1991 federal spending, or 85 percent of the U.S. per-capita amount of $4,147. In fiscal 1981, total federal spending per person in the Midwest stood at 81 percent of the national per-capita level. The midwestern states, which received a total of $175.47 billion in fiscal 1991 federal expenditures overall, would have captured $30.42 billion more if federal spending per person in the area had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in the Midwest rises to 95 percent of the U.S. per-capita level.

When the amounts per person for fiscal 1991 federal spending by category in the Midwest are compared to the amounts by category nationwide, the following patterns emerge: The Midwest stood at 93 percent of the U.S. level for grants to state and local governments; 59 percent for salaries and wages; 99 percent for direct payments to individuals; 56 percent for procurement; and 106 percent for other programs.

Illinois received $3,532 per person in fiscal 1991 federal spending, or 85 percent of the U.S. per-capita amount, up from 82 percent in fiscal 1981. The state ranked 44th for fiscal 1991 federal spending per person. Federal spending in Illinois totaled $40.77 billion overall. The state would have gained $7.11 billion if federal spending per person had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in Illinois rises to 98 percent of the U.S. per-capita level, and the state rank for per-capita spending changes to 32nd.

On a per-capita basis, Illinois stood at 88 percent of the U.S. level for grants to state and local governments; 75 percent for salaries and wages; 100 percent for direct payments to individuals; 48 percent for procurement; and 77 percent for other programs.

Indiana received $3,352 per person in fiscal 1991 federal spending, or 81 percent of the U.S. per-capita amount, up from 77 percent in fiscal 1981. The state ranked 49th for fiscal 1991 federal spending per person. Federal spending in Indiana totaled $18.81 billion overall. The state would have gained $4.46 billion if federal spending per person had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in Indiana rises to 85 percent of the U.S. per-capita level, and the state rank for per-capita spending changes to 45th.

On a per-capita basis, Indiana stood at 84 percent of the U.S. level for grants to state and local governments; 59 percent for salaries and wages; 92 percent for direct payments to individuals; 61 percent for procurement; and 96 percent for other programs.

Iowa received $3,687 per person in fiscal 1991 federal spending, or 89 percent of the U.S. per-capita amount, up from 71 percent in fiscal 1981. The state ranked 40th for fiscal 1991 federal spending per person. Federal spending in Iowa totaled $10.31 billion overall. The state would have gained $1.29 billion if federal spending per person had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in Iowa rises to 105 percent of the U.S. per-capita level, and the state rank for per-capita spending changes to 18th.

On a per-capita basis, Iowa stood at 90 percent of the U.S. level for grants to state and local governments; 48 percent for salaries and wages; 103 percent for direct payments to individuals; 36 percent for procurement; and 307 percent for other programs.

Michigan received $3,369 per person in fiscal 1991 federal spending, or 81 percent of the U.S. per-capita amount, down slightly from 82 percent in fiscal 1981. The state ranked 48th for fiscal 1991 federal spending per person. Federal spending in Michigan totaled $31.57 billion overall. The state would have gained $7.29 billion if federal spending per person had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in Michigan rises to 95 percent of the U.S. per-capita level, and the state rank for per-capita spending changes to 39th.

On a per-capita basis, Michigan stood at 99 percent of the U.S. level for grants to state and local governments; 47 percent for salaries and wages; 103 percent for direct payments to individuals; 34 percent for procurement; and 51 percent for other programs.

Minnesota received $3,693 per person in fiscal 1991 federal spending, or 89 percent of the U.S. per-capita amount, up from 85 percent in fiscal 1981. The state ranked 39th for fiscal 1991 federal spending per person. Federal spending in Minnesota totaled $16.37 billion overall. The state would have gained $2.02 billion if federal spending per person had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in Minnesota rises to 98 percent of the U.S. per-capita level, and the state rank for per-capita spending changes to 33rd.

On a per-capita basis, Minnesota stood at 99 percent of the U.S. level for grants to state and local governments; 55 percent for salaries and wages; 86 percent for direct payments to individuals; 67 percent for procurement; and 347 percent for other programs.

Ohio received $3,786 per person in fiscal 1991 federal spending, or 91 percent of the U.S. per-capita amount, up from 84 percent in fiscal 1981. The state ranked 36th for fiscal 1991 federal spending per person. Federal spending in Ohio totaled $41.41 billion overall. The state would have gained $3.96 billion if federal spending per person had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in Ohio rises to 96 percent of the U.S. per-capita level, but the state rank for per-capita spending changes to 37th because of a tighter cluster of states around the U.S. mark for non-Department of Defense spending per person.

On a per-capita basis, Ohio stood at 97 percent of the U.S. level for grants to state and local governments; 65 percent for salaries and wages; 102 percent for direct payments to individuals; 85 percent for procurement; and 49 percent for other programs.

Wisconsin received $3,279 per person in fiscal 1991 federal spending, or 79 percent of the U.S. per-capita amount, the same percentage as it received in fiscal 1981. The state ranked 50th for fiscal 1991 federal spending per person. Federal spending in Wisconsin totaled $16.25 billion overall. The state would have gained $4.31 billion if federal spending per person had been equal to the national per-capita level. When Defense Department expenditures are excluded, federal spending per person in Wisconsin rises to 91 percent of the U.S. per-capita level, and the state rank for per-capita spending changes to 42nd.

On a per-capita basis, Wisconsin stood at 96 percent of the U.S. level for grants to state and local governments; 43 percent for salaries and wages; 96 percent for direct payments to individuals; 42 percent for procurement; and 87 percent for other programs.

Census Tabulations of Federal Spending by State

In determining federal expenditures by state for fiscal 1991, the Census Bureau counts spending on grants to state and local governments, direct payments to individuals, federal salaries and wages, federal procurement, and other programs for which breakdowns on state distributions are available. The report excludes $216.16 billion in interest on the federal debt paid out to lenders other than the federal trust funds. Other federal spending not distributed to states includes international payments and foreign aid, operational expenses aside from salaries or procurement, foreign outlays, and assorted other expenditures. The major spending categories are described as follows.

- *Direct payments to individuals*--by far the largest single federal spending category--includes expenditures for Social Security, Medicare, veterans benefits, food stamps, low-income housing assistance, grants and loans to higher education students, unemployment insurance benefits, and several other purposes.

- *Procurement* consists of spending for the government's purchase of goods and services, based on actual outlays for the U.S. Postal Service and on the value of obligations for contract actions for all other departments and agencies. The Department of Defense accounted for 67 percent of the overall procurement total in fiscal 1991, down from 72 percent in fiscal 1990.

- *Salaries and wages* include pay for both civilian and military employees.

- *Grants to state and local governments* consist of payments to these jurisdictions from all major departments of the federal government for a wide variety of programs, including Aid to Families with Dependent Children (AFDC), Community Development Block Grants, employment and training initiatives, energy assistance, food and nutrition services, economic development, education, environmental protection, low-income housing operation and rehabilitation, parks, highways, and airports.

- *Other programs* include spending for research and arts grants, agricultural production stabilization programs, crop and flood insurance payments to other than individuals, outlays for federal employee life and health insurance programs not made to individuals, and several other purposes.

The Census Bureau data provide a valuable record of federal expenditures by state but the data set has drawbacks. For example, to stay consistent with federal budget categories, census includes under direct payments to individuals amounts paid out for unemployment compensation, which consist mostly of funds that the states generate to deposit in their federal trust fund accounts. Money from each state's account is paid out to its unemployed workers as needed. Consequently, while the Census Bureau counts unemployment compensation as a federal expenditure, in effect it is something of a state payment to its residents. Prior to 1989, the Census Bureau's report on federal expenditures by state excluded unemployment compensation payments, except those financed by the federal government itself.

Table 1
Patterns for Federal Expenditures by State: Fiscal 1991[1]

State or Region	Total Federal Expenditures (in millions of dollars)	Total Per Capita Expenditures (in dollars)	Rank for Total Per Capita Expenditures	State Per Capita Level as Percent of U.S. Per Capita Level[2]	Dollar Difference for Total If State Per Capita Amount Had Equaled U.S. Amount (in millions)
New England					
Connecticut	16,460	5,001	9	121	-2,810
Maine	5,601	4,535	13	109	-479
Massachusetts	31,449	5,245	6	126	-6,581
New Hampshire	3,874	3,506	45	85	709
Rhode Island	4,604	4,585	12	111	-440
Vermont	1,930	3,404	47	82	422
Total	63,918	4,843	--	117	-9,179
Mid-Atlantic					
Delaware	2,435	3,581	42	86	385
Maryland	29,507	6,071	3	146	-9,350
New Jersey	30,862	3,977	32	96	1,323
New York	76,790	4,252	18	103	-1,895
Pennsylvania	49,463	4,135	26	100	145
Total	189,056	4,364	--	105	-9,392
Midwest					
Illinois	40,767	3,532	44	85	7,107
Indiana	18,806	3,352	49	81	4,462
Iowa	10,306	3,687	40	89	1,286
Michigan	31,565	3,369	48	81	7,289
Minnesota	16,366	3,693	39	89	2,016
Ohio	41,414	3,786	36	91	3,955
Wisconsin	16,246	3,279	50	79	4,305
Total	175,470	3,535	--	85	30,419
South					
Alabama	18,464	4,516	14	109	-1,505
Arkansas	9,053	3,817	35	92	784
Florida	56,276	4,239	20	102	-1,210
Georgia	23,739	3,584	41	86	3,730
Kentucky	15,231	4,102	29	99	169
Louisiana	16,270	3,827	34	92	1,365
Mississippi	11,240	4,336	16	105	-490
North Carolina	23,243	3,450	46	83	4,699
Oklahoma	12,973	4,086	30	99	195
South Carolina	14,907	4,187	24	101	-142
Tennessee	20,890	4,218	21	102	-348
Texas	64,472	3,716	38	90	7,483
Virginia	38,674	6,152	2	148	-12,603
West Virginia	7,465	4,145	25	100	4
Total	332,898	4,121	--	99	2,131

Table 1
Patterns for Federal Expenditures by State: Fiscal 1991[1] (continued)

State or Region	Total Federal Expenditures (in millions of dollars)	Total Per Capita Expenditures (in dollars)	Rank for Total Per Capita Expenditures	State Per Capita Level as Percent of U.S. Per Capita Level[2]	Dollar Difference for Total If State Per Capita Amount Had Equaled U.S. Amount (in millions)
West					
Alaska	3,655	6,412	1	155	-1,291
Arizona	15,491	4,131	27	100	62
California	127,684	4,203	23	101	-1,684
Colorado	16,474	4,878	10	118	-2,468
Hawaii	6,162	5,429	5	131	-1,454
Idaho	4,287	4,126	28	99	23
Kansas	10,519	4,216	22	102	-171
Missouri	26,410	5,120	8	123	-5,017
Montana	3,743	4,632	11	112	-392
Nebraska	6,419	4,029	31	97	188
Nevada	4,922	3,833	33	92	404
New Mexico	9,338	6,032	4	145	-2,918
North Dakota	3,253	5,124	7	124	-620
Oregon	10,457	3,579	43	86	1,662
South Dakota	3,106	4,418	15	107	-190
Utah	6,694	3,782	37	91	647
Washington	21,529	4,290	17	103	-717
Wyoming	1,951	4,241	19	102	-43
Total	282,093	4,364		105	-13,979
Northeast	252,974	4,476	--	108	-18,571
Midwest	175,470	3,535	--	85	30,419
Northeast and Midwest	428,445	4,036	--	97	11,848
South	332,898	4,121	--	99	2,131
West	282,093	4,364	--	105	-13,979
South and West	614,992	4,229	--	102	-11,848
U.S. Total[3]	1,043,436	4,147	--	100	0

[1]Federal expenditures by state do not include dollars that could not be distributed by state or that were unavailable. Such amounts include interest on the federal debt, international payments and foreign aid, current operational expenses not included under salaries or procurement, expenditures for selected agencies, and foreign outlays.
[2]Percent columns show per-capita federal expenditures for states and regions as percentages of the U.S. level for per-capita federal expenditures. At less than 100 percent, the state per-capita level lagged behind the U.S. per-capita level. At more than 100 percent, the state level exceeded the national level.
[3]U.S. totals do not include funds for the District of Columbia, Puerto Rico, or the territories. The District of Columbia is excluded to avoid overstating federal expenditures by state for the South.

SOURCE: Northeast-Midwest staff calculations based on U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1991* (Washington, D.C., March 1992).

Table 2
State and Regional Shares of Fiscal 1991 Federal Expenditures and Population[1]

State or Region	Federal Expenditures (in millions of dollars)	Percent of Total Federal Expenditures	Percent of DoD[2] Spending	Percent of Non-DoD[2] Spending	Percent of Population
New England					
Connecticut	16,460	1.6	2.6	1.3	1.3
Maine	5,601	0.5	0.7	0.5	0.5
Massachusetts	31,449	3.0	3.7	2.8	2.4
New Hampshire	3,874	0.4	0.4	0.4	0.4
Rhode Island	4,604	0.4	0.4	0.5	0.4
Vermont	1,930	0.2	0.1	0.2	0.2
Total	63,918	6.1	7.8	5.7	5.2
Mid-Atlantic					
Delaware	2,435	0.2	0.2	0.2	0.3
Maryland	29,507	2.8	3.3	2.7	1.9
New Jersey	30,862	3.0	2.4	3.1	3.1
New York	76,790	7.4	4.0	8.2	7.2
Pennsylvania	49,463	4.7	2.5	5.3	4.8
Total	189,056	18.1	12.5	19.6	17.2
Midwest					
Illinois	40,767	3.9	1.7	4.5	4.6
Indiana	18,806	1.8	1.5	1.9	2.2
Iowa	10,306	1.0	0.3	1.2	1.1
Michigan	31,565	3.0	1.1	3.5	3.7
Minnesota	16,366	1.6	1.0	1.7	1.8
Ohio	41,414	4.0	3.2	4.2	4.3
Wisconsin	16,246	1.6	0.6	1.8	2.0
Total	175,470	16.8	9.3	18.8	19.7
South					
Alabama	18,464	1.8	1.8	1.8	1.6
Arkansas	9,053	0.9	0.5	1.0	0.9
Florida	56,276	5.4	5.1	5.5	5.3
Georgia	23,739	2.3	2.7	2.2	2.6
Kentucky	15,231	1.5	1.1	1.6	1.5
Louisiana	16,270	1.6	1.2	1.7	1.7
Mississippi	11,240	1.1	1.3	1.0	1.0
North Carolina	23,243	2.2	2.4	2.2	2.7
Oklahoma	12,973	1.2	1.2	1.2	1.3
South Carolina	14,907	1.4	1.6	1.4	1.4
Tennessee	20,890	2.0	1.4	2.2	2.0
Texas	64,472	6.2	8.1	5.7	6.9
Virginia	38,674	3.7	7.9	2.6	2.5
West Virginia	7,465	0.7	0.2	0.9	0.7
Total	332,898	31.9	36.5	30.7	32.1

Table 2
State and Regional Shares of Fiscal 1991 Federal Expenditures and Population[1] (continued)

State or Region	Federal Expenditures (in millions of dollars)	Percent of Total Federal Expenditures	Percent of DoD[2] Spending	Percent of Non-DoD[2] Spending	Percent of Population
West					
Alaska	3,655	0.4	0.7	0.3	0.2
Arizona	15,491	1.5	1.9	1.4	1.5
California	127,684	12.2	17.3	10.9	12.1
Colorado	16,474	1.6	2.2	1.4	1.3
Hawaii	6,162	0.6	1.3	0.4	0.5
Idaho	4,287	0.4	0.2	0.5	0.4
Kansas	10,519	1.0	1.0	1.0	1.0
Missouri	26,410	2.5	3.6	2.3	2.1
Montana	3,743	0.4	0.1	0.4	0.3
Nebraska	6,419	0.6	0.4	0.7	0.6
Nevada	4,922	0.5	0.4	0.5	0.5
New Mexico	9,338	0.9	0.8	0.9	0.6
North Dakota	3,253	0.3	0.2	0.3	0.3
Oregon	10,457	1.0	0.3	1.2	1.2
South Dakota	3,106	0.3	0.2	0.3	0.3
Utah	6,694	0.6	0.9	0.6	0.7
Washington	21,529	2.1	2.3	2.0	2.0
Wyoming	1,951	0.2	0.1	0.2	0.2
Total	282,093	27.0	33.9	25.2	25.7
Northeast	252,974	24.2	20.2	25.3	22.5
Midwest	175,470	16.8	9.3	18.8	19.7
Northeast and Midwest	428,445	41.1	29.6	44.1	42.2
South	332,898	31.9	36.5	30.7	32.1
West	282,093	27.0	33.9	25.2	25.7
South and West	614,992	58.9	70.4	55.9	57.8
U.S. Total[3]	1,043,436	100.0	100.0	100.0	100.0

[1]Federal expenditures by state do not include dollars that could not be distributed by state or that were unavailable. Such amounts include interest on the federal debt, international payments and foreign aid, current operational expenses not included under salaries or procurement, expenditures for selected agencies, and foreign outlays.
[2]DoD refers to Department of Defense only, not total defense spending. Non-DoD refers to all other agencies and programs.
[3]U.S. totals do not include funds for the District of Columbia, Puerto Rico, or the territories. The District of Columbia is excluded to avoid overstating federal expenditures by state for the South.

SOURCE: Northeast-Midwest staff calculations based on U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1991* (Washington, D.C., March 1992).

Table 3
Per-Capita Federal Expenditures by State and Category: Fiscal 1991[1]
(in dollars)

State or Region	Per-Capita Total	Per-Capita Grants to State and Local Governments	Per-Capita Salaries and Wages	Per-Capita Direct Payments to Individuals	Per-Capita Procurement	Per-Capita Other Programs[2]
New England						
Connecticut	5,001	727	396	2,164	1,621	94
Maine	4,535	749	470	2,302	938	75
Massachusetts	5,245	785	469	2,404	1,360	226
New Hampshire	3,506	489	568	1,912	453	85
Rhode Island	4,585	904	576	2,538	460	106
Vermont	3,404	721	387	1,992	210	95
Total	4,843	749	464	2,286	1,192	153
Mid-Atlantic						
Delaware	3,581	568	611	2,065	279	57
Maryland	6,071	526	1,334	2,218	1,519	474
New Jersey	3,977	582	454	2,306	592	43
New York	4,252	954	376	2,267	547	108
Pennsylvania	4,135	574	439	2,609	402	110
Total	4,364	728	519	2,360	620	137
Midwest						
Illinois	3,532	516	432	2,130	344	109
Indiana	3,352	493	339	1,947	436	136
Iowa	3,687	528	278	2,189	258	435
Michigan	3,369	579	270	2,202	246	72
Minnesota	3,693	577	317	1,829	478	491
Ohio	3,786	569	374	2,162	611	70
Wisconsin	3,279	565	249	2,038	303	124
Total	3,535	548	341	2,097	398	151
South						
Alabama	4,516	574	713	2,280	845	101
Arkansas	3,817	607	409	2,415	205	181
Florida	4,239	392	524	2,707	563	53
Georgia	3,584	536	781	1,810	377	79
Kentucky	4,102	672	663	2,138	550	79
Louisiana	3,827	764	490	1,947	507	119
Mississippi	4,336	703	517	2,203	795	119
North Carolina	3,450	512	636	1,902	320	81
Oklahoma	4,086	563	773	2,220	325	205
South Carolina	4,187	584	730	1,911	911	53
Tennessee	4,218	632	437	2,101	984	64
Texas	3,716	452	568	1,814	758	124
Virginia	6,152	387	1,805	2,176	1,585	200
West Virginia	4,145	713	357	2,680	348	47
Total	4,121	521	684	2,129	684	104

Table 3
Per-Capita Federal Expenditures by State and Category: Fiscal 1991[1] (continued)
(in dollars)

State or Region	Per-Capita Total	Per-Capita Grants to State and Local Governments	Per-Capita Salaries and Wages	Per-Capita Direct Payments to Individuals	Per-Capita Procurement	Per-Capita Other Programs[2]
West						
Alaska	6,412	1,294	2,236	1,204	1,413	267
Arizona	4,131	483	566	2,164	826	91
California	4,203	556	610	1,864	1,057	117
Colorado	4,878	506	945	1,830	1,367	231
Hawaii	5,429	651	2,042	1,952	670	113
Idaho	4,126	567	502	1,893	984	179
Kansas	4,216	467	714	2,175	457	403
Missouri	5,120	548	587	2,266	1,412	307
Montana	4,632	850	671	2,194	240	677
Nebraska	4,029	545	624	2,100	299	461
Nevada	3,833	423	544	1,942	882	41
New Mexico	6,032	722	921	2,007	2,237	145
North Dakota	5,124	840	838	2,119	383	944
Oregon	3,579	580	420	2,235	219	125
South Dakota	4,418	767	740	2,111	302	498
Utah	3,782	474	840	1,537	810	121
Washington	4,290	564	779	2,041	711	194
Wyoming	4,241	1,299	703	1,813	294	131
Total	4,364	568	687	1,961	964	183
Northeast	4,476	733	506	2,342	754	141
Midwest	3,535	548	341	2,097	398	151
Northeast and Midwest	4,036	647	429	2,228	587	145
South	4,121	521	684	2,129	684	104
West	4,364	568	687	1,961	964	183
South and West	4,229	542	685	2,054	808	139
U.S. Total[3]	4,147	586	577	2,128	715	142

[1]Federal expenditures by state do not include dollars that could not be distributed by state or that were unavailable. Such amounts include interest on the federal debt, international payments and foreign aid, current operational expenses not included under salaries or procurement, expenditures for selected agencies, and foreign outlays.
[2]"Other Programs" include spending on research grants, arts grants, agricultural production stabilization programs, crop and flood insurance payments to other than individuals, outlays for federal employee life and health insurance programs not made to individuals, and several additional purposes.
[3]U.S. totals do not include funds for the District of Columbia, Puerto Rico, or the territories. The District of Columbia is excluded to avoid overstating federal expenditures by state for the South.

SOURCE: Northeast-Midwest staff calculations based on U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1991* (Washington, D.C., March 1992).

Table 4
Per-Capita Federal Expenditures by State and Category Compared to U.S. Per-Capita Levels: Fiscal 1991[1]

State or Region	Percent[2] of U.S. Per-Capita Total	Percent[2] of U.S. Per-Capita Grants	Percent[2] of U.S. Per-Capita Salaries and Wages	Percent[2] of U.S. Per-Capita Direct Payments for Individuals	Percent[2] of U.S. Per-Capita Procurement	Percent[2] of U.S. Per-Capita Other Programs[3]
New England						
Connecticut	121	124	69	102	227	66
Maine	109	128	81	108	131	53
Massachusetts	126	134	81	113	190	160
New Hampshire	85	83	98	90	63	60
Rhode Island	111	154	100	119	64	75
Vermont	82	123	67	94	29	67
Total	117	128	80	107	167	108
Mid-Atlantic						
Delaware	86	97	106	97	39	40
Maryland	146	90	231	104	213	334
New Jersey	96	99	79	108	83	30
New York	103	163	65	107	77	76
Pennsylvania	100	98	76	123	56	78
Total	105	124	90	111	87	97
Midwest						
Illinois	85	88	75	100	48	77
Indiana	81	84	59	92	61	96
Iowa	89	90	48	103	36	307
Michigan	81	99	47	103	34	51
Minnesota	89	99	55	86	67	347
Ohio	91	97	65	102	85	49
Wisconsin	79	96	43	96	42	87
Total	85	93	59	99	56	106
South						
Alabama	109	98	124	107	118	71
Arkansas	92	103	71	113	29	128
Florida	102	67	91	127	79	37
Georgia	86	92	135	85	53	56
Kentucky	99	115	115	101	77	56
Louisiana	92	130	85	92	71	84
Mississippi	105	120	90	104	111	84
North Carolina	83	87	110	89	45	57
Oklahoma	99	96	134	104	45	145
South Carolina	101	100	126	90	127	37
Tennessee	102	108	76	99	138	46
Texas	90	77	98	85	106	88
Virginia	148	66	313	102	222	141
West Virginia	100	122	62	126	49	33
Total	99	89	118	100	96	73

Table 4
Per-Capita Federal Expenditures by State and Category Compared to U.S. Per-Capita Levels: Fiscal 1991[1] (continued)

State or Region	Percent[2] of U.S. Per-Capita Total	Percent[2] of U.S. Per-Capita Grants	Percent[2] of U.S. Per-Capita Salaries and Wages	Percent[2] of U.S. Per-Capita Direct Payments for Individuals	Percent[2] of U.S. Per-Capita Procurement	Percent[2] of U.S. Per-Capita Other Programs[3]
West						
Alaska	155	221	387	57	198	188
Arizona	100	82	98	102	116	65
California	101	95	106	88	148	82
Colorado	118	86	164	86	191	163
Hawaii	131	111	354	92	94	80
Idaho	99	97	87	89	138	126
Kansas	102	80	124	102	64	285
Missouri	123	94	102	106	198	217
Montana	112	145	116	103	34	478
Nebraska	97	93	108	99	42	326
Nevada	92	72	94	91	123	29
New Mexico	145	123	160	94	313	102
North Dakota	124	143	145	100	54	666
Oregon	86	99	73	105	31	89
South Dakota	107	131	128	99	42	351
Utah	91	81	145	72	113	85
Washington	103	96	135	96	99	137
Wyoming	102	222	122	85	41	92
Total	105	97	119	92	135	129
Northeast	108	125	88	110	105	99
Midwest	85	93	59	99	56	106
Northeast and Midwest	97	110	74	105	82	103
South	99	89	118	100	96	73
West	105	97	119	92	135	129
South and West	102	92	119	97	113	98
U.S. Total[4]	100	100	100	100	100	100

[1]Federal expenditures by state do not include dollars that could not be distributed by state or that were unavailable. Such amounts include interest on the federal debt, international payments and foreign aid, current operational expenses not included under salaries or procurement, expenditures for selected agencies, and foreign outlays.
[2]Percent columns show per-capita federal expenditures for states and regions as percentages of the U.S. level for per-capita federal expenditures. At less than 100 percent, the state per-capita level lagged the U.S. per-capita level. At more than 100 percent, the state level exceeded the national level.
[3]"Other Programs" include spending on research grants, arts grants, agricultural production stabilization programs, crop and flood insurance payments to other than individuals, outlays for federal employee life and health insurance programs not made to individuals, and several additional purposes.
[4]U.S. totals do not include funds for the District of Columbia, Puerto Rico, or the territories. The District of Columbia is excluded to avoid overstating federal expenditures by state for the South.

SOURCE: Northeast-Midwest staff calculations based on U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1991* (Washington, D.C., March 1992).

Table 5
State Per-Capita Levels for Federal Expenditures[1] Compared to U.S. Per-Capita Levels: Fiscal 1981 and Fiscal 1991

State or Region	Percent[2] of U.S. Per-Capita Total 1991	Percent[2] of U.S. Per-Capita Total 1981	Percent[2] of U.S. Per-Capita Spending DoD 1991[3]	Percent[2] of U.S. Per-Capita Spending Non-DoD[3] 1991	Rank for DoD[3] Per-Capita Spending 1991	Rank for Non-DoD[3] Per-Capita Spending 1991
New England						
Connecticut	121	137	196	101	4	27
Maine	109	100	137	102	10	25
Massachusetts	126	119	153	119	8	6
New Hampshire	85	98	95	82	23	49
Rhode Island	111	112	95	115	24	11
Vermont	82	90	32	95	46	38
Total	117	118	148	109	--	--
Mid-Atlantic						
Delaware	86	104	67	91	34	41
Maryland	146	139	171	140	6	2
New Jersey	96	90	79	100	27	28
New York	103	102	56	115	38	10
Pennsylvania	100	95	53	112	40	13
Total	105	102	72	114	--	--
Midwest						
Illinois	85	82	37	98	44	32
Indiana	81	77	66	85	35	45
Iowa	89	71	28	105	49	18
Michigan	81	82	29	95	48	39
Minnesota	89	85	56	98	39	33
Ohio	91	84	73	96	29	37
Wisconsin	79	79	32	91	45	42
Total	85	81	47	95	--	--
South						
Alabama	109	99	113	108	18	16
Arkansas	92	88	50	103	41	23
Florida	102	107	97	104	22	22
Georgia	86	90	101	83	19	47
Kentucky	99	84	73	106	30	17
Louisiana	92	100	72	98	31	34
Mississippi	105	105	127	99	11	30
North Carolina	83	78	90	81	25	50
Oklahoma	99	94	98	99	20	31
South Carolina	101	90	116	97	16	35
Tennessee	102	97	70	110	32	14
Texas	90	92	117	82	15	48
Virginia	148	145	316	104	1	21
West Virginia	100	88	23	120	50	5
Total	99	98	114	96	--	--

Table 5
State Per-Capita Levels for Federal Expenditures[1] Compared to U.S. Per-Capita Levels: Fiscal 1981 and Fiscal 1991 (continued)

State or Region	Percent[2] of U.S. Per-Capita Total 1991	Percent[2] of U.S. Per-Capita Total 1981	Percent[2] of U.S. Per-Capita Spending DoD 1991[3]	Percent[2] of U.S. Per-Capita Spending Non-DoD[3] 1991	Rank for DoD[3] Per-Capita Spending 1991	Rank for Non-DoD[3] Per-Capita Spending 1991
West						
Alaska	155	205	296	117	3	8
Arizona	100	103	126	93	13	40
California	101	118	143	90	9	43
Colorado	118	104	165	105	7	19
Hawaii	131	161	299	87	2	44
Idaho	99	85	41	115	43	9
Kansas	102	97	97	103	21	24
Missouri	123	127	175	110	5	15
Montana	112	92	45	129	42	4
Nebraska	97	84	69	105	33	20
Nevada	92	106	76	97	28	36
New Mexico	145	154	126	151	12	1
North Dakota	124	95	89	133	26	3
Oregon	86	81	30	101	47	26
South Dakota	107	94	65	117	36	7
Utah	91	94	121	83	14	46
Washington	103	122	115	100	17	29
Wyoming	102	132	59	114	37	12
Total	105	114	132	98	--	--
Northeast	108	106	90	113	--	--
Midwest	85	81	47	95	--	--
Northeast and Midwest	97	94	70	104	--	--
South	99	98	114	96	--	--
West	105	114	132	98	--	--
South and West	102	105	122	97	--	--
U.S. Total[4]	100	100	100	100	--	--

[1]Federal expenditures by state do not include dollars that could not be distributed by state or that were unavailable. Such amounts include interest on the federal debt, international payments and foreign aid, current operational expenses not included under salaries or procurement, expenditures for selected agencies, and foreign outlays.

[2]Percent columns show per capita federal expenditures for states and regions as percentages of the U.S. level for per capita federal expenditures. At less than 100 percent, the state per capita level lagged the U.S. per capita level. At more than 100 percent, the state level exceeded the national level.

[3]DoD refers to Department of Defense only, not total defense spending. Non-DoD refers to all other agencies and programs.

[4]U.S. totals do not include funds for the District of Columbia, Puerto Rico, or the territories. The District of Columbia is excluded to avoid overstating federal expenditures by state for the South.

SOURCE: Northeast-Midwest staff calculations based on U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1991* (Washington, D.C., March 1992).

Table 6
Federal Expenditures by State and Category: Fiscal 1991[1]
(in millions of dollars)

State or Region	Total Spending	Grants to State and Local Governments	Salaries and Wages	Direct Payments to Individuals	Procurement	Other Programs[2]
New England						
Connecticut	16,460	2,393	1,302	7,121	5,334	309
Maine	5,601	926	581	2,844	1,159	92
Massachusetts	31,449	4,709	2,815	14,413	8,155	1,357
New Hampshire	3,874	540	628	2,112	501	93
Rhode Island	4,604	908	579	2,548	462	107
Vermont	1,930	409	219	1,129	119	54
Total	63,918	9,884	6,124	30,167	15,730	2,013
Mid-Atlantic						
Delaware	2,435	386	415	1,404	190	39
Maryland	29,507	2,557	6,485	10,778	7,384	2,302
New Jersey	30,862	4,517	3,522	17,896	4,592	335
New York	76,790	17,226	6,797	40,935	9,881	1,951
Pennsylvania	49,463	6,870	5,254	31,209	4,813	1,315
Total	189,056	31,557	22,474	102,224	26,861	5,942
Midwest						
Illinois	40,767	5,954	4,990	24,587	3,973	1,264
Indiana	18,806	2,767	1,903	10,925	2,446	764
Iowa	10,306	1,475	777	6,118	720	1,216
Michigan	31,565	5,426	2,534	20,624	2,304	676
Minnesota	16,366	2,559	1,404	8,108	2,117	2,178
Ohio	41,414	6,220	4,094	23,655	6,683	762
Wisconsin	16,246	2,799	1,235	10,097	1,503	612
Total	175,470	27,200	16,936	104,114	19,747	7,473
South						
Alabama	18,464	2,347	2,917	9,325	3,461	413
Arkansas	9,053	1,439	971	5,727	486	429
Florida	56,276	5,209	6,954	35,941	7,471	702
Georgia	23,739	3,553	5,174	11,990	2,500	522
Kentucky	15,231	2,493	2,462	7,939	2,043	293
Louisiana	16,270	3,249	2,083	8,279	2,154	505
Mississippi	11,240	1,822	1,340	5,711	2,060	307
North Carolina	23,243	3,447	4,284	12,814	2,154	544
Oklahoma	12,973	1,788	2,453	7,048	1,033	652
South Carolina	14,907	2,078	2,598	6,801	3,242	187
Tennessee	20,890	3,129	2,164	10,406	4,871	319
Texas	64,472	7,837	9,848	31,479	13,152	2,155
Virginia	38,674	2,432	11,344	13,676	9,963	1,259
West Virginia	7,465	1,284	643	4,826	627	85
Total	332,898	42,108	55,236	171,965	55,217	8,373

Table 6
Federal Expenditures by State and Category: Fiscal 1991[1] (continued)
(in millions of dollars)

State or Region	Total Spending	Grants to State and Local Governments	Salaries and Wages	Direct Payments to Individuals	Procurement	Other Programs[2]
West						
Alaska	3,655	738	1,274	686	806	152
Arizona	15,491	1,810	2,124	8,116	3,098	343
California	127,684	16,885	18,519	56,631	32,101	3,549
Colorado	16,474	1,707	3,191	6,178	4,617	780
Hawaii	6,162	739	2,318	2,216	761	128
Idaho	4,287	590	522	1,966	1,023	186
Kansas	10,519	1,165	1,782	5,426	1,140	1,007
Missouri	26,410	2,827	3,028	11,686	7,284	1,584
Montana	3,743	687	542	1,773	194	547
Nebraska	6,419	868	994	3,345	477	735
Nevada	4,922	544	699	2,494	1,132	53
New Mexico	9,338	1,118	1,426	3,107	3,463	225
North Dakota	3,253	533	532	1,345	243	599
Oregon	10,457	1,694	1,226	6,531	640	366
South Dakota	3,106	539	520	1,484	212	350
Utah	6,694	839	1,486	2,721	1,433	214
Washington	21,529	2,832	3,911	10,244	3,570	972
Wyoming	1,951	597	324	834	135	60
Total	282,093	36,710	44,418	126,785	62,329	11,851
Northeast	252,974	41,441	28,598	132,391	42,590	7,955
Midwest	175,470	27,200	16,936	104,114	19,747	7,473
Northeast and Midwest	428,445	68,641	45,533	236,504	62,337	15,428
South	332,898	42,108	55,236	171,965	55,217	8,373
West	282,093	36,710	44,418	126,785	62,329	11,851
South and West	614,992	78,818	99,655	298,749	117,546	20,223
U.S. Total[3]	1,043,436	147,459	145,188	535,254	179,884	35,651

[1]Federal expenditures by state do not include dollars that could not be distributed by state or that were unavailable. Such amounts include interest on the federal debt, international payments and foreign aid, current operational expenses not included under salaries or procurement, expenditures for selected agencies, and foreign outlays.
[2]"Other Programs" include spending on research grants, arts grants, agricultural production stabilization programs, crop and flood insurance payments to other than individuals, outlays for federal employee life and health insurance programs not made to individuals, and several additional purposes.
[3]U.S. totals do not include funds for the District of Columbia, Puerto Rico, or the territories. The District of Columbia is excluded to avoid overstating federal expenditures by state for the South.

SOURCE: Northeast-Midwest staff calculations based on U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1991* (Washington, D.C., March 1992).

Table 7
State Rankings for Federal Expenditures[1] Per-Capita by Category: Fiscal 1991

State or Region	Total Spending	Grants to State and Local Governments	Salaries and Wages	Direct Payments to Individuals	Procurement	Other Programs[2]
New England						
Connecticut	9	11	41	22	2	35
Maine	13	10	33	8	12	41
Massachusetts	6	7	34	6	8	12
New Hampshire	45	43	25	39	31	37
Rhode Island	12	4	24	4	29	32
Vermont	47	13	42	34	49	34
Mid-Atlantic						
Delaware	42	28	21	30	44	45
Maryland	3	38	4	14	4	5
New Jersey	32	21	35	7	23	49
New York	18	3	43	10	26	31
Pennsylvania	26	25	36	3	33	29
Midwest						
Illinois	44	39	38	25	37	30
Indiana	49	42	46	36	32	19
Iowa	40	37	48	18	45	7
Michigan	48	23	49	16	46	42
Minnesota	39	24	47	45	28	4
Ohio	36	27	44	23	22	43
Wisconsin	50	30	50	32	40	23
South						
Alabama	14	26	15	9	15	33
Arkansas	35	19	40	5	50	16
Florida	20	49	29	1	24	46
Georgia	41	36	9	48	35	40
Kentucky	29	16	18	24	25	39
Louisiana	34	9	32	37	27	25
Mississippi	16	15	30	15	18	26
North Carolina	46	40	19	41	39	38
Oklahoma	30	32	11	13	38	13
South Carolina	24	20	13	40	13	47
Tennessee	21	18	37	28	11	44
Texas	38	47	26	46	19	22
Virginia	2	50	3	19	3	14
West Virginia	25	14	45	2	36	48

Table 7
State Rankings for Federal Expenditures[1] Per-Capita by Category: Fiscal 1991 (continued)

State or Region	Total Spending	Grants to State and Local Governments	Salaries and Wages	Direct Payments to Individuals	Procurement	Other Programs[2]
West						
Alaska	1	2	1	50	5	10
Arizona	27	44	27	21	16	36
California	23	33	22	43	9	27
Colorado	10	41	5	44	7	11
Hawaii	5	17	2	35	21	28
Idaho	28	29	31	42	10	17
Kansas	22	46	14	20	30	8
Missouri	8	34	23	11	6	9
Montana	11	5	17	17	47	2
Nebraska	31	35	20	29	42	6
Nevada	33	48	28	38	14	50
New Mexico	4	12	6	33	1	18
North Dakota	7	6	8	26	34	1
Oregon	43	22	39	12	48	21
South Dakota	15	8	12	27	41	3
Utah	37	45	7	49	17	24
Washington	17	31	10	31	20	15
Wyoming	19	1	16	47	43	20

[1]Federal expenditures by state do not include dollars that could not be distributed by state or that were unavailable. Such amounts include interest on the federal debt, international payments and foreign aid, current operational expenses not included under salaries or procurement, expenditures for selected agencies, and foreign outlays.
more than 100 percent, the state level exceeded the national level.

[2]"Other Programs" include spending on research grants, arts grants, agricultural production stabilization programs, crop and flood insurance payments to other than individuals, outlays for federal employee life and health insurance programs not made to individuals, and several additional purposes.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Federal Expenditures by State for Fiscal Year 1991* (Washington, D.C., March 1992).